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# ***JPRS Report***

## **Soviet Union**

### ***International Affairs***

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# Soviet Union

## International Affairs

JPRS-UIA-89-003

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3 March 1989

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**Political, Military Factors Blocking 'Imperialism' From War**

52000012 Moscow *KOMMUNIST*  
*VOORUZHENNYKH SIL* in Russian No 19, Oct 88  
pp 17-24

[Article by Lt Gen Avn V. Serebryannikov, doctor of philosophical sciences, professor: "Blocking Wars: A Political Mechanism"]

[Text] In the nuclear age the struggle for peace has also become a struggle for the survival of mankind. This struggle goes through a number of stages: achieving a reduction of military danger; creating a reliable international mechanism for blocking wars; eliminating nuclear weapons, and then the material base of war as a whole (disarmament); and the future disappearance of the very source of wars—imperialism. Specific goals and content, unique forms and methods of actions by peace loving forces; and regrouping their composition are inherent to each stage.

The defense of socialism primarily and fundamentally coincides with the task common to all mankind of preventing a new war. The military doctrine of the USSR and the other socialist countries in the Warsaw Treaty Organization, their defense structure, and the activity of their armed forces are subordinated to this task.

Socialism and other peace-loving forces are taking active steps to create a mechanism for blocking war. The action of this mechanism is to provide for a transition from a world based on a balance of force, to a world based on a balance of interests, cooperation and trust. Such a mechanism does not have the goal, and is not capable, of abolishing class contradiction and competition, but merely serves to prevent this historical dispute, as well as other contradictions in the world arena, from being decided by military means.

To block war means to exert influence most of all on the ruling circles of the imperialist states, in such a way as to compel them to restructure their foreign policy on the basis of the new political thinking, recognition of the principle of peaceful coexistence, and rejection of the policy of force and military threat, and also to create stable political, legal, economic, spiritual, cultural, and humanitarian barriers in the path of unleashing war and force in world affairs. Today an integrated mechanism for blocking wars is being formed, the elements of which are interacting ever more closely. It seems to us that the following elements can be associated with it: the international political system that is taking shape, which includes the new political thinking as an expression of mankind's common interest in salvation from a new war, and the theoretical foundations of security in the nuclear age; political, legal and moral norms, and global and regional organizations, which are called upon especially to regulate the military and political relationships of states for the purpose of preventing wars and military conflicts

and building reliable universal security; the aggregate of political, economic and cultural ties among countries and peoples; and the activity of peace-loving social movements and organizations.

It is known that the aggressive nature of imperialism does not automatically and directly engender war. Wars are prepared consciously by governments, which express the interest of the most warlike part of the ruling classes of the imperialist states. The aggressive policy of imperialism acts as a direct factor in stimulating the preparation of war. It is it that is the mainspring in the NATO countries that makes for intensive action of the source of war.

The aggressive nature of an antagonistic society can be fettered primarily through influencing the policy of its ruling circles. Their accepting the new political thinking, and shifting it to the plane of practical actions, are the starting point that naturally conditions the formation of a policy of supporting peaceful coexistence, a policy toward detente in the political and military spheres, and toward limiting, reducing and eliminating nuclear weapons, and leads to the acceptance of defensive doctrines, and dismantling of obsolete concepts of aggression.

**Internal factors** that induce restructuring of the international policy of imperialist states are the growing anti-military movements in these states; the struggle of the working class and the broad mass of workers; the exacerbation of social contradictions; and the worsening of the economic situation due to growing military expenditures. In the capitalist countries, such motives for strengthening the struggle of the broad masses to change foreign policy toward peaceful coexistence as recognition of the fatality of a new war for human civilization, and the folly of militarization of the economy, are having an ever more intense effect. In the opinion of a number of American scholars, "faced by the nuclear threat, a commonality of interests arose in both superpowers, uniting them against total war, the biggest victims of which would be themselves," which forces even passive strata of Americans to influence more actively the development of more realistic foreign policy and military decisions in their country.

At the present time, in the Western countries the transition to a new phase of technological revolution is being carried out to a significant extent on a militaristic foundation, which increases the danger of war, and thus touches all strata of the population and extends the framework of general protest, which is moving far beyond the bounds of economic demands. Mass pressure on the policy of the ruling circles is increasing, and the military-industrial complex has been called back.

The growth of mass protest against the exorbitant burden of the arms race, and the threat of perishing in a nuclear war, will inevitably push ruling circles in the West to choose in favor of a more realistic policy.

Needless to say, such a transition can hardly be anticipated to be easy, painless, or without relapses of aggressive outbursts. But, historical experience and science confirm that, with today's level of technology and organization of production, conversion and demilitarization of the economy are entirely possible.

Modern war presumes tremendous economic, sociopolitical, scientific and technical, ideological and purely military preparation, in which the entire population takes part in one way or another. If the peoples of the capitalist countries will decisively oppose the policy of war, its apologists will to a significant extent lose the capability to prepare and unleash aggression. Georgiy Dimitrov wrote years ago: "If... the masses, without whom war cannot be waged, decisively and in a timely manner oppose the military plans of states, they can force them to reject war and the connivances of the military conspirators." Opportunities in this respect are becoming ever more extensive, although they must not be overestimated. A most stubborn battle is facing the peaceloving forces, in order to cause the states to reject the policy of force, and recognize the social, political and cultural diversity of the modern world, and the right of each people to freely choose its social system.

The internal aspect of localizing the sources of wars, although it is markedly intensifying, still lags in its development behind the external factors blocking war: strengthening dialog and allaying tension; maintaining strategic military parity between the USSR and the U. S., and between the Warsaw Treaty Organization and NATO; and strengthening the role of international organizations and movements, especially the UN, the Non-Aligned Movement, etc. It is precisely these factors that are forcing the leaders of the U. S. and NATO to display elements of good sense in their approach to relations with the USSR, and to the problem of war and peace, although so far there have been no fundamental changes in the position of the ruling circles in the West in this field. Movement in settling the Afghan problem, the cease fire agreement in the Iran-Iraq conflict, solving the problems in southern Africa, etc., became possible as a result of a general improvement in the international situation, and stepped up activity by the UN Security Council and General Secretary. It is entirely obvious that this became possible as a result of the spreading of the new political thinking in international relations.

The new impetus in the development of economic, political, legal, cultural and scientific ties between states with opposing social systems serves to block war, although, due to the resistance of militaristic circles in the West, these ties are extremely slow to be set up, meeting artificially created barriers every step of the way. But it is precisely the development of the totality of world relations that is called upon to create an unbreakable fabric of interaction.

A new economic order, which would take into account the interests of all countries and peoples on an equal basis, is

called upon to become an important material element of an all-encompassing system of peace and international security, and an indispensable condition for blocking a new war.

A tremendous reserve for strengthening and all manner of expansion of world economic ties, and for affirming the foundations of peaceful coexistence and blocking war, is contained in the restructuring that is taking place in the USSR. Movement of the Soviet Union to a leading level in the most important economic indices will enable this huge and most rich country to be included in the worldwide division of labor as it never has been. Naturally, such an extension and strengthening of economic relationships will cause the development of world integration and interdependence, and will substantially narrow the material opportunities for military intervention of reactionary forces in world affairs, and for manifestation of the imperialist policy of force or the threat of force.

**International political and legal norms** directed at ensuring peace and security serve as one of the main means of normalizing military and political relationships of states, opposing a policy of force, and preventing war. There are a number of agreements in this sphere, which are called upon to block war, namely: the Paris Pact of 1928 on prohibiting resorting to war between states; the UN Charter proclaimed the banning of war by the broader principle of non-use of force and threat of force, which was truly revolutionary in international law; the agreement on measures to reduce the danger of nuclear war between the USSR and the U. S. (1971); the ABM Treaty (1972); the agreements on limiting strategic offensive arms—SALT-I (1972) and SALT-II (1979); and the Soviet-American treaty on the elimination of intermediate and shorter range missiles. The Soviet-Indian declaration on the principles of a world free of nuclear weapons and force is of fundamental importance. These international legal documents superimpose certain limitations on the military policy and actions of states, narrow the expansionistic capabilities of aggressive forces, and form in world society a conscious attitude toward aggressive war as unlawful, illegal, and unjust.

In the opinion of Soviet scholars, the extent of development of international law on questions of ensuring peace, and substantiating the illegality of war and a policy of force, still lags behind the requirements of social progress. International law still contains few agreements on limiting the arms race and preventing the employment of military means to solve disputes among states. Much work lies ahead in this field in order for international law to include effective measures to block war. And so far no mechanism for strictly monitoring and ensuring the unwavering observance of agreements that have already been reached has been created, and the imperialists have not been stopped from violating them.

**World public opinion** has an ever stronger effect on the formation and conduct of a policy of blocking war. The peoples of many countries are much more active in the

world arena, forcing the states to take the voice of the masses into account. "Now," noted Comrade M. S. Gorbachev, "the human factor is moving to the political level not as a remote and more or less spontaneous result of the life and activity of the masses and their intentions. It is exploding directly into world affairs."

Today there is every reason to look to the future with optimism, for the direct influence of the broad masses on world politics will transform it toward more restraint, wisdom and stability. In particular, the peoples are ever more decisively rejecting the concept of "nuclear deterrence," put forth by the aggressive imperialist circles, as false, dangerous and immoral. Public diplomacy is playing an ever greater role in solving the tasks of blocking war.

**The organizational mechanism for regulating military and political relations among states** occupies a special place in the development of the economic, political, legal, cultural-moral and scientific foundations for strengthening peace and blocking war. It has the decisive role in the creation and maintenance of a new international order, which reduces, and then completely eliminates the possibility of unleashing aggressive wars. Progressive scholars note the emergence of a new phenomenon—strengthening of the conscious regulation of states in the international arena by peaceful processes and behavior—which is expressed in the rapid development of international organizations (global and regional), and in more active coordination of the interests of sovereign countries.

Global and regional international organizations for maintaining peace and blocking war are being created on the basis of agreements among members of the world community. Their decisions are mandatory for all organization members. Such organizations have powers that are close in their essence to those of governments and states, based on the voluntary agreement of their members.

Today a farflung system of general-purpose international, intergovernmental organizations has taken shape and is developing, among which the United Nations, which includes a large number of specialized institutions, has been called upon to play a most important role. A historic purpose of the UN is to head up the building of an all-encompassing system of international security. The embryo of the new political thinking and of an intelligent approach to world affairs is found in the very fact that this organization has been created.

The new political thinking presumes that peace should be ensured exclusively by the United Nations, on the basis of strict observance of the principles and postulates of its Charter. The UN Charter anticipates everything necessary for mankind to live and solve its problems without war. It was emphasized at the 19th CPSU All-Union Conference that "ensuring the security of states will shift more and more from the sphere of the

correlation of military capabilities, to the sphere of political interaction and strict fulfillment of international obligations, and an all-encompassing system of international security will take shape, mainly through increasing the role and effectiveness of the United Nations." This organization is called upon to be the regulator of international processes, and it is to supersede attempts by the West to regulate them by force.

Unfortunately, the unconstructive policy of the United States and its allies substantially weakens the peacemaking potential of the UN. Through the fault of the U. S. and its NATO partners, many constructive decisions by the United Nations, including Security Council resolutions, which are mandatory, are not being fulfilled. And, their implementation could substantially improve the situation in the Middle East and other regions. The Americans frequently hamper the working out of effective solutions at UN sessions. For example, through the fault of the U. S., approval of the final documents on disarmament at the 3rd Special Session of the UN General Assembly in 1988 was disrupted. It opposed the creation of UN naval forces to maintain order in the Persian Gulf, provisions on preventing the militarization of space, and the ideas of creating "peace zones" and "nuclear-free zones," in particular in the Middle East. And it follows from this that, against the will of the world community, Washington plans to place weapons in space, and is contributing to the maintaining of tension and continuation of regional conflicts. Repeatedly the U. S., along with its allies, has bypassed the Security Council and created armed forces under the UN flag, for the purpose of giving legitimacy to armed aggression and involving obedient countries in it (the aggression against the Democratic People's Republic of Korea in 1950-1953, against the Congo in 1960, etc.). Aggressive imperialist circles hamper the creation of a mechanism for blocking war, and the normal work of its elements.

The Soviet Union favors increasing the role of the UN in all aspects of ensuring worldwide security. For this purpose, it proposes that new international mechanisms be created within its framework, which will contribute to preventing the militarization of space, and monitor the observance of treaties in the field of arms limitations and disarmament, and the fulfillment of agreements on eliminating conflicts and crisis situations.

An integrated political mechanism that would make it possible to block war is still in the initial stage of creation and development, although many of its elements have long been in operation, but with far from the degree of effectiveness that would have a decisive effect on military and political processes and events. The existing elements of such a mechanism thus far interact with one another poorly, and in a number of instances exist in isolation. However, the instinct for self-preservation of mankind will serve as an ever increasing incentive to unite the efforts of all peoples and states in building this mechanism. A bumpy and difficult path lies ahead in the

struggle to overcome the profound and complex contradictions that tear apart the modern world. A reliable political mechanism for blocking war is the foundation of security, and of defending the freedom and sovereignty of our people and of mankind as a whole.

International organizations of the socialist states, as well as of the liberated countries, are an important element of the political mechanism for blocking war. Most important is the Warsaw Treaty Organization and its Political Consultative Committee, which are working out the most burning problems of reducing military danger, affirming trust between states of opposing social systems, and carrying out real disarmament.

The purely **military factor of blocking war** must not be underestimated in the process of creating guarantees of universal security and peace. It includes strategic military parity between socialism and imperialism on a steadily declining level; international detente; affirmation of trust in the military field; the defensive thrust of the military doctrine and of the organizational development of armed forces; the reducing of weapons, especially nuclear weapons, and their complete elimination; the readiness and ability of peaceloving states to repulse any aggression; the reliable defense of socialism as a bulwark of peace and security of the peoples; and the use of UN armed forces, allotted by member countries at the disposal of the Security Council, when necessary, to maintain security.

**Strategic military parity** still remains the main obstacle in the path of aggressors unleashing a new war. The defense might of socialism fulfills a blocking role with respect to sources of wars and military conflicts by: a) their solely defensive purpose (lack of intention to attack anyone or threaten anyone by force); b) their example of using military resources with maximum caution (rejection of first use of nuclear weapons and of initiating a conventional or nuclear war); c) their readiness, together with the opposing side, to transition to non-offensive military structures and weapons levels (to give up the status of a nuclear power simultaneously with others who possess such weapons, to mutual reduction of conventional weapons, acceptance of non-offensive doctrines, and maintaining armed forces at a level of intelligent sufficiency); d) their shifting the center of gravity to political (non-military) means of ensuring security and defense, extending glasnost and openness in military affairs, and developing of a dialog in the military field; e) their ability and readiness to give a crushing rebuff to any aggressor; f) and their assistance, on the basis of the UN Charter, to peoples and countries who are subjected to aggressive attack.

The defense might of socialism, in combination with active foreign policy actions, has more than once forced the aggressors, either to give up their predatory designs, or even to cease aggressive actions already begun. In a number of crisis situations after 1945, only the fear of a crushing retaliatory strike restrained the U. S. from

unleashing war. The failure of Anglo-French-Israeli aggression against Egypt in 1956, for the purpose of eliminating its progressive regime, can serve as a graphic example. At that time the USSR gave an unambiguous warning about its resolve to use every means to halt the aggression, and, through its active actions in the world arena and in the UN, was able to achieve the international isolation of the aggressors and halt the war.

It should be noted that in the postwar period instances of the effective use of UN armed forces to prevent or eliminate conflict have occurred repeatedly: in Cyprus in 1964, the Middle East to restrain Israel in 1973, etc.

Today, when a political mechanism for giving forewarning and preventing military conflicts and wars is not yet sufficiently effective, the defense might of socialism has the decisive role in restraining aggressors and maintaining security and peace.

The military resources of the countries of the socialist community serve the policy of maintaining and strengthening peace, and reinforcing political (non-military) means of ensuring security. Needless to say, this not only does not reduce, but to the contrary increases the importance of constant combat readiness of the troops and naval forces, of military training, deep ideological conviction, and thorough moral-political and psychological preparation of the soldiers for waging decisive combat operations, and for self-discipline and discipline in the subunits and units. Restructuring in our armed forces, in all of its parameters, is called upon to move the army and navy to a qualitatively new level. The 19th CPSU All-Union Conference gave precise instructions: From now on all defense organizational development is to be oriented primarily toward qualitative parameters, both with respect to equipment and military science, and to the composition of the armed forces. Guaranteeing the reliable security of the Soviet state and its allies, it is to be carried out in strict accordance with our defensive doctrine.

**The restructuring of military-political relationships between states of opposing social systems**, which is called upon to ensure international detente, trust in the military field, and the adoption of defensive doctrines by all, is called upon to play a special role in the creation of a mechanism for blocking wars and conflicts. Only in recent years has a dialog in the military field begun. Twice meetings between the USSR Minister of Defense, and the U. S. Secretary of Defense have been held, in Bern and in Moscow. At the invitation of Adm Crowe, chairman of the U. S. Joint Chiefs of Staff, in July of this year MSU S. Akhromeyev, chief of the General Staff, USSR Armed Forces, and USSR first deputy minister of defense, held talks in Washington. More and more businesslike contacts are being established between lower ranking representatives of the Soviet and American armed forces.

Of course, the most reliable guarantee of blocking war is reduction of weapons to the minimum, and then total disarmament. But, enroute to this, step-by-step measures are important. As is known, a program for reducing armed forces and conventional armaments in Europe was put forth and augmented at conferences of the PKK [Political Consultative Committee] in Budapest (1986) and Berlin (1987). At the July 1988 meeting in Warsaw, its participants posed a number of fundamental new issues. They believe that the final objective of the first stage of negotiations should be the achievement of approximately equal (balanced) collective numerical levels of armed forces and quantity of conventional weapons for the states in the two military and political alliances—the Warsaw Treaty Organization and NATO. The balanced levels would be lower than those now existing on either side. This would create a foundation so that, in the second stage, the armed forces of each side would be reduced by approximately 25 percent (by about 500,000 men), with their organic weapons. Further reduction of armed forces and conventional weapons would be carried out in the third stage, and the armed forces of both sides would become strictly defensive in nature.

An integral part of the process of reducing armed forces and conventional weapons in Europe, as has been noted in a statement made by Warsaw Treaty Organization member states, would be measures to reduce and eliminate the danger of a surprise attack. A PKK conference, held to determine correlations of forces and reveal disbalances and asymmetries in armed forces and conventional arms, proposed that corresponding initial data necessary for negotiations be exchanged.

An understanding among states on reaching a political settlement of crisis situations is an essential element in preventing and stopping nuclear conflict. Today a direct telephone link exists between the heads of state of the USSR and U. S. In 1987 nuclear risk reduction centers were created in Moscow and Washington for the operational transmission of military-political information to one another on actions that could be incorrectly interrupted by the other side, and serve as a cause of heightening the nuclear threat.

The Soviet Union is also proposing that a multilateral center for reducing military danger be created at the UN, and that direct communications be established between the UN headquarters and the capitals of the permanent members of the Security Council and the chairman of the Non-Aligned Movement, and that a mechanism be developed for broad international monitoring of the fulfillment of an agreement for reducing international tension, limiting arms, and controlling the military situation in areas of conflict.

For the purposes of separating the forces of the warring sides, observing the cease fire, and implementing a truce agreement, the USSR proposes that the institution of UN military observers and armed forces be used more

widely to maintain peace. It is proposed that means of peacefully settling disputes and disagreements among states be used more widely at all stages of a conflict, and that proposals be made to assist in blocking conflicts that arise and achieving a cease fire.

The socialist countries are moving actively along the path of creating a mechanism for preventing regional crises and conflicts. At the Berlin international meeting for a nuclear-free zone in July 1988, the GDR delegation proposed that a "hotline" between Prague, Berlin, and Bonn be used as a mechanism for stabilizing the situation on the boundary lines between the Warsaw Treaty Organization and NATO, and that a permanent confidence-building center, provided with appropriate equipment, be organized.

**A fundamental strengthening and extension of cooperation among states in rooting out international terrorism**, which has become one of the terrible calamities of the end of the 20th century, is extremely important. In the past 10 years more than 5,000 armed terrorist acts have been carried out, which threatened peace in a number of volatile regions. The majority of them are prepared by the intelligence services of the U. S., Israel and the other imperialist states. To combat this evil, the USSR proposes that a special system be created within the framework of the UN—an international tribunal for investigating acts of international terrorism, inspection groups, etc.

Certain favorable tendencies are characteristic of today's international situation. However, as the Warsaw PKK conference noted, the situation in the world remains complex and contradictory, and the sources of tension and wars, and danger of a nuclear conflagration, have not disappeared. There is one way out of this situation—to bring into action all the elements of a political mechanism for blocking war, and to seek peace stubbornly and persistently, based on the principles of mutual equal security, a democratic society, and broad and equal cooperation.

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#### **Soviet Peace Movement Seen as Force for Internal Political Change**

*18120056 Moscow XX CENTURY AND PEACE  
in English No 12, Dec 88 pp 26-31*

[Article by Gleb Pavlovskiy: "Peace in the World and in the USSR: Spiritual Movement and Real Movement"]

[Text] "The personal views of a man about the philosophy of peacemaking." The subtitle could be different to emphasize the paradox and unexpectedness of the author's conclusions. The trouble is that it is probably early yet to speak about a peacemaking philosophy or concept, more or less established. In an interview to our



correspondent, published in issue No. 11, 1988, Vladimir Orel, First Vice-Chairman of the Soviet Peace Committee, raising a number of new and fundamental questions on the purpose and activity of the Soviet Peace Committee, urged the "XX Century and Peace" magazine to start a public discussion, keeping in mind that the conference of the Soviet peace movement is not far off. In fact, the magazine has been conducting such a discussion from month to month, and for quite a long time. We hope that the materials mentioned here will give an additional impetus to the creative participation of our readers in the search for a real and effective peace all over the world and in our own country.

There is some thing about the West that gives you no peace. I would like to have the same in the USSR. But they won't give us this thing. And it is impossible to import it. It can't be presented by the most generous Western billionaire or by the political movement most friendly disposed towards our country. Is it possible to copy this thing? Yes, but this will be to no avail. It can't even be got hold of, although it has an exact location.

This thing is located in Europe, in the wonderful country of Spain, not far from its capital, Madrid, and is called Valle de los Caidos (Valley of the Fallen). It is a common graveyard where those killed in the civil war—Leftists and Rightists—are all buried. These people took up arms to fight their brothers, and if they didn't kill their brother, it was only because he killed first.

The common graveyard of fascists and anti-fascists! The most outstanding anti-communist of our century—Francisco Franco lies there among communists and his comrades-in-arms, among heroes and the meanest minions and hangmen who fell victim, and the victims who didn't have time to become hangmen. There is nothing in common between those lying there, nothing they could have agreed upon if they were to start talking again. They have all interfered passionately and irreconcilably into Spanish history and all are dead.

So why are they lying together?

For them nothing, but for those living it has one meaning: **civil war has ended and peace has set in.**

Every person can have enemies but people have no "enemies of the people." There is terrorism and murders may take place, but nobody is looking around in search of "renegades." There is poverty, hopeless poverty and there are people who stand to gain from poverty but it harbours neither "intrigues of dark forces" nor the "machinations of foreign secret services." People are full of vice everywhere, but nobody will start accusing a Russian or a Frenchman of Spanish vices. (By the way, this is the most important sign of a people safe for their neighbours—when nobody is interested in the ethnic origin of a villain or in the patronymic of a fool: all are our folk!...)

This also means that Spain, where peace has set in, must have become an open social universe. In this world there are advanced and developing countries, national discord and class struggle, there are archaic antiquity, modernization and vague future.

This future, too, may have everything: who knows the future? there may be bad government, dangerous policies, crises, military bases....

**Except one thing:** the people can no longer curse their own diversity and tear themselves to pieces. They can no longer lose the trust of mankind, and horrify neighbours to such an extent that they start making arrangements behind their back and arm in fear of this people. They are alien but not of foreign origin. They are incapable, having lost common sense because of the irresistible horror, of attacking neighbours.

Such people, peacefully coexisting at home, can also peacefully coexist with other peoples. Only the people who have settled themselves "in a non-violent and nuclear-free world" can be an honest partner in the future universal non-violent and nuclear-free world of the Delhi Declaration.

In this case, the **peaceful** movement of such a people may take the next step—to become anti-war and ecological. Only if the established inner world is shaken by global disasters will man, reconciled with himself, feel responsible for the earth. Freedom established inside the country is protected by nuclear arsenals, that is, by the threat of general destruction, and the conscience of the free cannot become reconciled with this, even if there is no visible alternative as yet. And the countries whose customs, languages, self-government and character have been returned, are concerned not with an ecological crisis "in general" but with the fate of one **particular** stream, a **particular** village churchyard—a feature on their face.

But let's get back home, to the USSR. The revolution has gone down in the annals of history: there are practically no surviving participants in it. They have left us with their enmity, their passions. We can only guess their feelings, or read about them, but we do not feel ourselves.

Seventy years have passed since the time when somewhere in a basement revolutionaries shot the tsar and his whole family. It is 50 years since the time when revolutionaries were being shot in other basements, alternately with those who were shooting them. 43 years of Victory and 35 years since the death of the Tyrant.

And peace? Has eternal civic peace come to Russia?

True, the Law on the protection of peace was adopted long ago. Invented by Stalin, it "acts" invisibly up to this day, with no consequences and no passions. But our attitude to "enemies" is quite different—even to dead

ones, without our knowing them at all. Only the meaning, the image of the enemy changes, but the search for it becomes more indefatigable and the nose for it sharper. The generalized "enemy of the people," officially withdrawn from use, has engendered a host of successors: "renegade," "revisionist," "people who sold themselves to the secret services," "dissident," "rabid anti-Soviet" and so on.

You could never utter a word about burying the cavalymen of Budyonny and the soldiers of Kolchak side by side. And how should they be buried—under a cross or a star...?

As innocents?—a lie. As guilty of our shame?—another lie. (There have been even more extreme pronouncements: sort out the "innocent" from the "guilty" and bury corpses separately, the first under a Memorial, the others in a pit.... In terms of blasphemy, this idea comes close to the desecration of a temple—looking for enemies even among corpses, in common pits, in the earth, where not only shoulder-straps but even mixed up bones cannot be found!

So far, it seems, our minds are formed in such a way that no sooner they let out one enemy they immediately need another. And if they don't find it they become sad, pine away and "lose ideological conviction." Such a spiritual state can be projected on the famous painting by Salvador Dali, showing a creature torturing itself. Even this will seem to us a realistic popular print.

The past century asked its main question without malicious intent: whose fault is it? The co-author of this question, Alexander Herzen, was one of the first to warn against trusting "revolutionary dentists." But, despite the warnings, all the mass ideologies of the century now drawing to its close were built on the idea of finding personal "culprits" for the evil of history and imperfection of social structures. These ideologies engendered mass-scale investigative consciousness. "Still preserved are exponents of bourgeois views and bourgeois morals"—dying Stalin inserted into the newspaper announcement of 1953 concerning the case of "doctors-killers—live people, covert enemies of our people." He underscored the word: live....

Live people—covert enemies. By the end of the 1930s, this monstrous equation of the civil war period, developing into omnicide, became established in Eurasia and turned politics into an absurd mincing-machine for peoples.

And, wherever this thought has not been cursed or condemned, wherever it is admitted in political practice, the search for criminal classes, national enemies and renegades—the "fifth column" which the investigative consciousness is always craving for, may resume there at any moment—from the top or from the bottom. Even when uttering the word "perestroika" such a mind

believes: there are enemies! Secret, anonymous, terrible...! They are like us, they speak like we do, they are live people, they must be got rid of....

...A bureaucrat or a mason, a conservative or a Stalinist, a Russian or a Jew—the investigative consciousness clings to any type, any name, any difference to put into action its only working programme: the state of emergency. This consciousness regards peace as a natural disaster, normal life—as a catastrophe. The key word of this totalitarian programme is: **enemy**. Hence, progress (since investigative consciousness always stands for "progress") is conceived as general mobilization and tireless struggle against innumerable enemies. Progress is like a continuous social pogrom....

It must be admitted that this is sore consciousness. We are sick with contempt for our diversity. Perestroika is not simply a revolutionary process, it is a therapeutic one. Any therapist will proceed from the simple fact that, apart from the "correct" and "incorrect" life of the sick—alive but sick—organism, it has only one real alternative: death. Mankind has this alternative and the country has it too. From the therapist's point of view the threat of such an alternative equals the difference between two others. The future of a recovering person may be dazzling or modest: the main thing is that this future should exist.

Proceeding from the sober consciousness of this reality, perestroika inevitably resumes, and partly engenders the movement for peace in the USSR. The paramount problem here is that of preserving human life in its freedom, diversity and fullness. Problems must be posed and solved, but not by repressing the personality, or at any risk to its safety. There must be no blood. Only a non-violent world can become a nuclear-free world—and only in this sequence, not the other way round. But, for us in the USSR, this road is just beginning, and we are on the threshold only of its first, inner stage; that of becoming a peace in our own country, live in a non-violent community, with morally justified order, but not paralysed by force and fear.

Peace in the country, order and civic peace come **first**, then as a result—the struggle for "world peace."

"Peace to the world" is now not about the whole globe but about us in the USSR: to our restless federal world a real peaceful order. Spiritually, that old inner war has never ceased, it is still smouldering in souls, suddenly breaking loose from under the quiet ashes with flames of enmity and violence. And the Soviet peace movement is, above all, a movement to stop the state of civil war, whether under the name of "class" or "ideological struggle"—it's all the same. Fighting against thoughts and ideas we fight against our late ancestors and are in eternal discord with our own brain. While war is being waged on the dead, the people's intellect remains in the darkness and is ready for frenzied actions. And new victims among the living are likely.

Late in the 1980s the Soviet peace movement had a strange problem: it doubted its own existence. Among dozens of civic initiatives stimulated by perestroika there is nothing more evasive and problematic than the peace movement. Deprived of the religious impulses of Tolstoyism and generally without any kind of philosophy, it is also deprived of enthusiasm for negation, which is a usual thing for any informal movement irrespective of its stand. A Stalinist, "anti-bureaucrat," regionalist or ecologist see clearly their opponents, whereas a Soviet "peace champion," especially of an "anti-war" orientation, remains a secondary figure, imitating the actions of Western pacifism engendered by the cultural environment and the problems which are more or less speculative for us. The desperate struggle of local ecologists and national-cultural groups, the modest work of lone persons who have devoted themselves to charity, the feverish attempts of certain politicians and administrators to check the avalanche of problems without losing their warm house and bread and milk for their children, do not find a single spiritual dominating idea, and risk dissolving in a current of social enmity. An invaluable threat: it has already happened in the past. Who remembers today the heroic struggle of Vladimir Korolenko and Maksimilian Voloshin on two fronts: against red and white terror? Who was educated by the messages of the old man Kropotkin to the Council of People's Commissars, and by the desperate entreaties of Maxim Gorky in "The Inopportune."

The peace movement in the USSR was twice broken off, slandered and twice forgotten: at first by punishment, in the 1920s-1930s, which put an end to alternative military service, Tolstoyist, vegetarian communes, the political Red Cross society, local and district communities, and for a second time, artificially implanted by the end of the 1940s, in the form of official government pacifism, the so-called "struggle against warmongers," i.e., the "struggle for peace" all over the world—except the USSR.

For a Soviet person, official pacifism at best confirmed his reluctance to fight once again and to see a repetition of the war calamities, still fresh in his memory. Nobody wanted a war against America, but anyone would have been surprised to hear that peace means something different from the way of life which he usually led. A peaceful life for a Soviet person of the late Stalinist epoch—before Chernobyl—was simply the life he lived, life without a war: a worker had his life, the oppressed village—its life, prisoners had their own as did those who protected them. All this was embraced by the official concept of the **peaceful life of the Soviet people**.

Never before did people talk and sing so much about peace as in the 1970s. "If only there were no wars"—the sarcastic password of those years, involuntarily turned into funny story, and there was no war, indeed, and no peace either. This is because all forms of peaceful human life were undermined, emasculated and limited, and those who spoke about this had a limited choice: be arrested or flee the country.

Then the idea, unprecedented in Russia, entered some unknown person's head: let's accuse the intelligentsia lying! The words "slander of the system" were specially invented and introduced into the Criminal Code. It was lie, preceded only by the Inquisition, and unconscious and ideologically sacrilegious lie, especially loathsome. And a war broke out, a small internal war, a small victorious war which governments finding themselves in difficulty, like so much to wage. A war that lasted 20 years.

The Russians who "do not want a war," as it was sung in the well-known song, persecuted Galich for singing other songs, and those who sang together with him. But now the song of Galich "You dare to go into the square..." is sung at Komsomol meetings. But this song is about concrete people who came to Red Square on August 25, 1968 to prove, using the only means available, that they were not responsible for tanks going into Prague. The youth who really wanted peace and not only sang peace-loving songs ("Peace, we need peace to laugh...") read the novel by Pasternak and the annals of Solzhenitsyn 20 years ago, when these books were banned and when reading them was banned. They read the book banned by the government because they remembered from school that in the dispute between the government and literature in Russian the government was always wrong, and the poet was always right. And the war of the government writers is a civil war.

Having read "Dr. Zhivago" in the night, the contraband edition by Feltrinelli, with something of Platonov, Robert Orwell and Solzhenitsyn, they came into the square to preserve civic peace from arson. But other people who "did not want war," arrested and interrogated them.

Today it is easy to find out what the intellectuals were lying about: it's all in the newspapers. But there is another interesting point: not everything published today in the appears was yesterday the persecuted truth. For example, nobody knew that simultaneously with the World Forum of Peace in Moscow, there existed an underground concentration camp in Uzbekistan, with concrete and steel chains, and a monument to Lenin standing on the ground above it. Adylov was torturing disagreeable people! It is very important to specify that not a single "liar" persecuted by the law in the 1970s, even the most embittered by falsehood and humiliation, reproached the "system" with anything like this.

This alone is enough to justify the complete rehabilitation of citizens condemned through the Inquisition and pseudojuridical procedure of the "struggle against dissidents" from 1965 to 1985. The demand for this rehabilitation is a natural, integral part of the Soviet peace movement's programme.

No, the Soviet people didn't want war when, at those shameful "meetings" on the occasion of the shooting down of the South Korean airliner, they "demonstrated"

in support of the actions of the AA Defence Command. Nor did Americans, when they backed the President in a similar incident in the Persian Gulf—demonstrate to the world their inborn bloodthirstiness. But both acknowledged the reality which their politicians will have to deal with, in one way or another: spiritual unpreparedness for peace and unwillingness of war. The idea that peace is only the absence of war does not put the course of events under moral control. And this is a challenge to the peacemakers of 1980s-1990s: the lack of a genuine will for peace and without any war has engendered and will go on doing so without any bombs.

Today, peace is again becoming a deed in Russia.

When, at its spring session, the Soviet Peace Committee adopted the course of internal reconciliation and cooperation with informal peacemaking initiatives in the country, although with some hesitation—this was not only a comprehensive striving of an old institution to find its place in the changed reality, but also a sign of the thawing of the will for civic peace. The forms which decorative pacifism like so much: round-table conferences, seminars, walks, people's diplomacy—will be of use but not so much with overseas pacifists and humane millionaires, as with our own stubborn fellows!

Peacemakers are needed more in the country than outside.

For example, where were our peacemakers during the days in Sumgait: at a seminar in Venice, at a festival in Cannes? ...As soon as the news about this, alas, key event of the year was heard, the intelligentsia—ethnographers, sociopsychologists, linguists—whose number is so big when they have to receive a Western delegation, or when they have a chance to fly to the West, didn't turn up at the Transcaucasia. Why? In addition, from the West—India, Northern Ireland and the USA, you can bring experience, recommendations and advice to solve your problems, but not suitcases, or caps with hearts on them, and the valuable discovery that "the enemies are also people like ourselves!" (a thought which has never prevented a single war, act of violence or pogrom).

...I would like to imagine the impossible—maybe Dali could paint such a picture. A world congress of cookery specialists in Ethiopia perishing from hunger. A congress of aesthetes in Pnom Penh. Or a festival of doctors-pacifists in Chernobyl, with rock concerts, dinners and shooting for newsreel. And how many of such things happen because of moral ambiguity, under the name of the "struggle against war," in our country, which is not rich, but ulcerated by the past and recent events, where blood was shed again.

How many antiwar actions and get-togethers in the spirit of people's diplomacy have been after Chernobyl: thousand, ten thousand? If ever someone decides to write in the future about people's diplomacy in the Chernobyl era, the writer will recall not the walks, not the picnics of pacifists on the grass but Dr. Gale, and rightly so, because the others are meaningless. For peace, only those three, five, 50 or however many saved by Gale, a man without a Soviet passport, who cured the victims of the erroneous policy of the enemy-state, have meaning here.

And all our congresses and peaceloving kisses are only for this one man to save him from being seized and tortured, to save him from ever fearing this. If the anti-war Soviet intelligentsia could sacrifice—how awful—their summer leave and dachas, and struggle for peace in the Transcaucasia, perhaps there would have been no "airport crisis" in Yerevan, no shots would have been fired in September. After all, isn't the chance of saving at least the life of one of our countrymen—in a peaceful country and in peacetime—worth all the millions of the Peace Fund, the efforts of all staff members of the Soviet Peace Committee?

The peace movement in the USSR must learn to be stubborn. It will not even get off to a start until it becomes used to speaking the unpleasant truth to authorities and to the people—a deep-rooted habit in the experience of violence, in the demands for "just" violence, and in the dreams about noble and faultless violence.

The majority is never for peace in the exact Russian sense of this word, which means a comfortable and safe universe. Most people, naturally, prefer the conditions of peace to conditions of war—but are almost never ready for peace as spiritual work. Peace is the spiritual thirst for reality, diversity and freedom, and the will to non-violence as the condition of all this. To deaden this thirst is just as impossible as to implant it in a person who does not have it. Therefore, the struggle for peace is always the dialogue of the minority yearning for peace with the majority thirsting only for advantages of the absence of war. The peace movement, not being the majority, must become a voice heard from everywhere: smooth, honest, absolutely in tune and independent. The actions of politicians and the responses of the people will often ignore this voice, and then peacemakers must go into action, if they exist in the country. They do exist, since peace—let's repeat Spinoza, and with pleasure—"is not the absence of war, but a virtue stemming from the firmness of the spirit."

**Soviet Peace Committee Deputy Chairman  
Aleksin On Activities**

*18070036 Moscow SOVETSKAYA KULTURA in  
Russian 13 Sep 88 p 2—FOR OFFICIAL USE ONLY*

[Article by Anatoliy Aleksin, deputy chairman of the Soviet Peace Committee: "Hopes Have Become A Reality"]

[Text] It was at the beginning of World War II that Arkadiy Gaydar bitterly observed that children are the first and most defenseless victims of the bloodshed wrought by adults.

One such victim was Sadako, a little girl from Hiroshima. Sadako's skillful, kind hands made thousands of paper cranes that, according to Japanese tradition, would save her from the radiation which reached its merciless hand across the decades. The tradition proved to be more believable than one might suspect: although they could not protect her from physical death, the cranes immortalized Sadako's name. Others whose actions affirming the brotherhood of mankind and mutual trust have brought them immortality include Tanya Savichevaya of Leningrad, Anne Frank of western Europe, and Samantha Smith of the US. They are four children who, though they never reached adulthood, showed unchildlike maturity in their hopes and aspirations. As announced, the Soviet Peace Committee's "Peace for the Children of the World" association will give its annual "Four Little Girls Medal" to defenders of children and advocates of young peoples' rights and happiness.

When we announced this medal, we never imagined that thousands (many thousands) of children from our country and around the world would send the Soviet Peace Committee and PIONERSKAYA PRAVDA not only drawings of the future medal, but letters in memoriam about little girls who personified suffering, and at the same time embodied honor, courage, and the highest in human dignity. Is it possible to believe that learning about the four martyrs and heroines is anything other than "indoctrination in the spirit of peace?" The term "indoctrination in the spirit of peace" is quite recent, yet it has already entered the hearts and lives of millions of older friends of the younger generation. Nor has it missed the youngest people on our planet. The idea behind the term is to shatter the "image of the enemy" and replace it with an "image of a friend," regardless of how many thousands of kilometers away the person lives, and regardless of the language he speaks. In other words, the Soviet-American project that announced the "indoctrination in the spirit of peace" program has become a reality.

Americans are known for their business sense, and it follows that they believe in what is feasible. So the Soviet Peace Committee knew that when it responded to an invitation of the "For Soviet-American Dialogue" organization in February, it would have to reject idealism

and words which, though high-blown, were also potentially empty. Instead the Committee participated in an active productive manner on dozens of projects, focusing on the single goal of demonstrating both the new thinking and the new approach to international relations.

Hope served as the foundation of each project. And now this very hope is starting to bloom into a long-awaited reality.

One of the projects conceived in February and now completed is the Banner of Hope, a banner nearly 1,000 meters long and bearing the names of children who have died in war. This project, which was backed and implemented by the Soviet Peace Committee, was proposed by an American public figure, Patricia Montandon. And I remember thinking—as many others did—when the banner was unfurled in Moscow, that there were many empty spaces on it; and I remember hoping that there would be no more names to put in the spaces—that not one more child would ever die in a war. And no one else for that matter! It is this hope which gave the banner its name.

It was in February that Chairman of the Soviet Peace Committee Genrikh Borovnik, a volunteer working out of a sense of public commitment (an arrangement he feels represents the strongest bond to the new initiatives,) came up with a plan to raise monuments around the world to children who have perished in wars whose bloodshed was not limited to soldiers. Like the Tomb of the Unknown Soldier, such monuments would serve as a place to bring our grief and lay our wreaths. One such monument has already been created by Zurab Tsereteli, who also had a hand in the plan. And I believe with all my heart that all the foot dragging of adults will not be able to slow the building of more of these monuments to fallen children around the world. Let us hope this belief becomes a reality!

I have already written in SOVETSKAYA KULTURA that Thomas Pettepis, an American public figure and president of the "Peace Expo" association, has decided in conjunction with "Peace for the Children of the World" to publish joint Soviet-American books containing the best writings of Soviet and American children and young people, as well as works infused with the desire for friendship and peace. I am happy to inform you that the American publishers will soon begin work on these anthologies, and that during a recent visit to Moscow, Pettepis concluded agreements with three publishers: Detskaya Literatura, Raduga, and Malysh. And so another hope becomes a reality.

Another project that is underway within the association is the "Samantha Project," which was started by Yuriy Yakovlev. While in the US, Yakovlev was given a beautifully executed sculpture by a famous artist: it was Samantha smiling. Samantha smiled because she hoped; and her hopes are now alive in the actions of children

and adults alike. The sculpture currently occupies a place of honor at the Soviet Peace Committee, which received it from Yakovlev for safe-keeping. The activities she inspired continue, and the "Samantha Project" has begun organizing Soviet-American children's exchanges. Set up on a democratic, competitive basis, the exchange will allow those children who have earned the right to do so to participate. The project will also give considerable assistance to the headquarters of the "Four Little Girls" group, which I have already spoken about.

Our association has announced an international contest called: "Do you know the classics of your country and the world?" Here is another of February's ideas that did not remain a mere idea for long. We hope the contest will help return the classics of literature, music, cinema, theater, and painting to all the children of the world. Return? I use the word 'return' because, unfortunately, the classics have not reached many of them, and, because, more unfortunately, many have been forced to part with them.

"The hopes of the young nourish..." And they nourish those who see the young as our future. One master of the written word has said: "Children resemble their time more closely than they do their parents." We dream that the time their dissimilar parents and older friends will give them will continue to be a time in which the hope of mutual trust will become a reality, and mutual suspicion and hostility will disappear.

When I was in the US I saw people wearing a pin that said: "I'm voting for Gorbachev." This means that progressive Americans are not only voting for a policy of renewal in our country, but for a policy that will renew international relations and bring calm to the peoples of the world. Once again, I will permit myself to quote the American woman whose words I used to end another of my articles: "I want to give my child a world in which I will be asked 'Mama, what was war?'" I take my inspiration from the belief that some day all the children of the world will have to ask this question. And I hope this belief too becomes a reality!

### **U.S., Soviets Discuss Cooperation in Fighting Terrorism**

*56001003 Moscow SOVETSKAYA ROSSIYA  
in Russian 28 Jan 89 p 5*

[Article by Ye. Babenko: "In Search of Common Grounds"]

[Text] I became acquainted with a colleague, an Associated Press Rome correspondent, while appearing on a popular Italian Sunday television program. The second time I saw this familiar face was several months later in a photograph that made the rounds of many newspapers. The photo displayed the cafeteria at Fiumicino International Airport after it was attacked by a Middle Eastern extremist group. Among the innocent victims of this crime left lying on the marble floor near the coffee

machine was the American journalist's 10-year-old daughter, whom he was seeing off on her trip home after spending her vacation in Italy. That is how I came into contact with international terrorism, as it is called; a concrete example that cut a notch in my heart.

Explosions and shootings in airports, railway stations, in city subways, airplane hijackings, kidnapping people, including children, as hostages—in our time, these and other such acts of terrorism are happening with greater frequency and are occurring in all countries without exception.

"The Soviet-American response to international terrorism": a bilateral meeting with such a title would have been unthinkable even two or three years ago. But this has now become a reality, and in Moscow in recent days, at a large, square table in the conference room of the Soviet committee for the defense of peace there sit historians, lawyers, economists, and political scientists from both countries, discussing the complex problems of the struggle with the most evident manifestation of evil in the modern world. The coordinator of this forum is John Marks, acting director of the organization "In Search of Common Grounds."

What are the topics on the meeting's agenda? Exchange of information, exchange of counter-terrorism means, for example, means to detect munitions warehouses of terrorist organizations, cooperation in investigating specific events, such as the problem of the hostages in Lebanon. Also, dispersal of knowledge and information about terrorism; cooperation in the area of limiting the international trade in various types of arms; cooperation in controlling narcotics distribution. This is by no means a complete list of agenda items. During the discussions being held on Moscow's Prospekt Mira, new turns are taken, new interesting questions raised, requiring answers.

I speak with one of the meeting's leading American participants, Brian Jenkins, a department head of the "Rand Corporation," one of the largest brain trusts of modern America. Jenkins says, that as far as he knows, in the area of international terrorism there were contacts between our two countries earlier, on the diplomatic level, for example, but the given meeting, based on the principle of free, informal discussion, can be called a type of premier.

We speak of the many changes which have occurred in international relations recently, in relations between the USSR and the USA, and of the evidence of a new political vision of the world. "In our country, we have carefully studied M.S. Gorbachev's book, "Perestroika and New Political Thinking for our Country and the World." Many of the utterances are especially significant, including this," Jenkins recites from memory: "The Soviet Union repudiates terrorism on principle and is prepared to actively collaborate with other governments to eradicate this evil."

The general impression that is formed as a result of the speeches of the participants of this forum both in the plenary sessions and the three committees into which the delegates were divided is that there is good will on both sides, and a completely obvious desire to cooperate in this far from simple task, the struggle against international terrorism in its many different manifestations. This is not an easy matter. It should be noted, that the views of these and other participants in the Moscow meeting regarding the sources and reasons for this phenomenon differ, and are at times contradictory. And at the same time, the opinion prevails that cooperation is possible.

There is already a certain international experience in this area. The operation to free the children held hostage by bandits in the city of Ordzhenikidze is an example. The

joint operation to curtail the activities of the international "drug mafia," is being successfully implemented by the Soviet and Canadian customs services.

At the meeting, the American side admits that there are already coincidences in the development of Soviet-American approaches to the problem, as evidenced by the course of the preparations and in the discussions themselves. The position that terrorism is principally inadmissible is an example.

The meeting's conclusions remain to be drawn, but it is already obvious that the first step is being taken, a new facet in the area of Soviet-American relations is being opened.

**GDR Response to Article on German-USSR Relations**  
*18070085 Moscow LITERATURNAYA GAZETA*  
*in Russian 12 Oct 88 p 14*

[Article by Klaus Hoepke, GDR Deputy Minister of Culture: "About Different Germans". Original article was translated and published in JPRS Report SOVIET UNION: INTERNATIONAL AFFAIRS (UIA-88-016)]

[Text]

**Resonance. We and the Russians: A Look from the GDR**

An article by Leonid Pochivalov published in LG (No 29 for 20 July), "The Germans and Us" drew a broad response from our readers, Soviet and foreign. Many of them support the judgments the writer made, and approve the timeliness of their publication. There are also letters in which a different viewpoint may be heard on a number of the articles propositions. This is understandable, after all: the problems of the interrelations of our peoples both in the past and the present, and thoughts about the future of these relations concern each of us, concern the Germans living in the GDR, FRG, and West Berlin. There is still much left unsaid that requires serious thinking and comparison of different opinions. This is emphasized by the Deputy Cultural Minister of the GDR, Klaus Hoepke in the response he sent to our editors.

At the end of his article "The Germans and Us", Leonid Pochivalov speaks of the businesslike attitude, sense of discipline, conscientiousness, and reliability of Germans at work—traits that should be borrowed from them. On the question of what qualities of the Soviet people we would like to learn, he quotes GDR scientists whom he met in Antarctica. They said: "Most of all we have been struck by your constant readiness for self-sacrifice, stoic patience in the face of difficulties, and unpretentiousness in all circumstances". One of them added with a smile: "These qualities helped you to create a great superpower from a backward Russia". Pochivalov went on to write what he did not say on this occasion, but thought to himself: "...and win the war. Our victory also taught the Germans a lot".

Obviously, during that conversation the author thought it would be tactless to voice this thought. But the question is not merely one of tactlessness. What determined the outcome of the aggressive war unleashed by Hitler against the Soviet Union, the Great Patriotic War of the Soviet Union against the Fascist state? Was it really only readiness for self-sacrifice and the capacity stoically to withstand difficulties? Of course not. If you want to talk about what Germans in the GDR were taught by the victory of the Soviet people, I believe it was largely the following: the peoples of the Soviet Union were defending their freedom and socialism, were fighting to save the peoples of Europe from Fascist enslavement. And they won mainly for that reason.

For many of us, their victory in this struggle meant not that we were "vanquished", but liberated. The words "liberator", "liberation", "liberated" do not appear in this article. Perhaps the author believes they are expressions to be avoided? But why? I do not understand this, for they are historically valid.

L. Pochivalov looks for what should guide his readers in their attitude toward the Germans of the GDR and the Germans of the FRG. Time and again the author uses a formula, or as the ancient Greeks said, a stereotype, of "the German", and "specific German psychology". Apparently in his mind this psychology is equally inherent in the citizens of all classes and strata of the one German (capitalist) state and the citizens of the other German state, who have chosen a socialist path of social development.

The author points first of all to history, to the long-ago past, to a culture rich in traditions, and to the customs of ancestors. "The current state border", he writes, "does not stretch into the past."

But what can we say about the German past, and our present attitude toward history?

The fact that for centuries people in Central Europe created their own cultural-historical aspect is an incontrovertible one. And we as Germans of course acknowledge the special qualities of our national history. By virtue of industrialization, an organized proletariat distinguished by discipline and cohesion arose comparatively early. The people's revolutionary movements were the most important part of that tradition, although prior to 1945 our people did not succeed in bringing a revolution to its conclusion. We cannot ignore the bitter fact that two world wars originated on German soil. But there is much to be proud of in our history. After all, Germany was the birthplace of classical German literature and philosophy, the birthplace of Goethe, Schiller, Kant, Hegel, and Fichte. And it was the birthplace of scientific socialism, the teachings of Karl Marx and Friedrich Engels.

The present border between the two German states, which in fact cannot be "extended" to the past, is to a great extent related precisely to the past: the revolutionary-democratic traditions of the struggle against feudal and capitalist exploitation found their embodiment on this side of the border at the state level, while on the other side many obstacles still remain.

The weakness of arguments intended to confirm the "common experience that binds all Germans together" could be seen, for example, at the book fair that opened on 2 October 1984 in Frankfurt-am-Main. There they spoke of the desire to turn their faces toward all of history, with its glittering and its terrible pages. They recalled Auschwitz, Treblinka, Buchenwald, and Dachau. They combined with these recollections the following utterance: "equally related to the history and



makeup of the Germans is the bravery of the brother and sister Scholl ('The White Rose') and the uprising of conscience undertaken on 20 July by people under the leadership of Graf Stauffenberg". These words belong to H. Kohl, who thus "turned" toward "all" history. He finds words of respect for Hans and Sophie Scholl and for Stauffenberg, whose courage we acknowledge and honor. But how can we relate reverence of the memory of brother and sister Scholl and Stauffenberg with the attempt to erase from German history the representatives of the German workers movement, members of the Communist Party, who were the main force in the anti-Fascist resistance, and made enormous sacrifices?

Here is a recent episode that shows that this drama is still not concluded. During a trial in Duesseldorf, the prosecutor, a state representative of the Federal Republic of Germany, asked for an acquittal for Wolfgang Otto, who took part in the murder of Ernst Thaelmann in the Buchenwald concentration camp. And the court granted it!

In this regard, a few words about the war unleashed by Hitler, and the guilty parties. I must state directly that one cannot equate the responsibility of the aggressive forces of German monopolist capitalism, who put Hitler in the saddle and prepared the Fascist predatory war, and the responsibility of the anti-Fascists, who were unable to prevent Hitler's domination, or to get rid of him by their own efforts.

And one other thing. This has to do with the relations of the KPG-SPD in the twenties and thirties. It was a tragedy that even at the moment when the Communists headed by Thaelmann called on the Social Democrats for joint actions against the Fascist danger, influential rightwing politicians from the ranks of the SPD declined such cooperation. On the other hand, as is noted in the theses of the Central Committee of our party in connection with the 70th anniversary of the formation of the KPG, for Communists it was "necessary to overcome sectarian and dogmatic tendencies in their own ranks that arose continually under the exacerbated conditions."

For us a correct evaluation of German history is very important; it is necessary to avoid careless simplification as much as deliberate embellishment, hush-ups, or distortion. Today on German soil we are creating social relations with allowance for historical lessons. Leonid Pochivalov refers to this. He mentions the different sociopolitical systems in both German states and the increasingly obvious differences in the thinking and way of life of Germans in the GDR and FRG.

As for the differences, his article speaks only of the impressions of one Hamburg citizen who visited Leipzig. They in the FRG are supposedly more businesslike, while we in the GDR, on the other hand, are more interesting in the spiritual context.

Here I would like to touch on the political structure of the GDR, which is characterized by the power of the working class, in alliance with other laboring classes and strata. This also refers to our administrative mechanism, determined chiefly by public ownership of the means of production, to the new social structure, and to the profound changes in spiritual and cultural life. In all of these real processes in the lives of the GDR people, which are by no means concluded, but will continue historically for a long time yet, the socialist German nation is created.

In their everyday behavior, or to put it more precisely, in the spiritual visage of GDR citizens, one can see a clearly expressed desire to ensure peace by strengthening workers' and peasants' power. Fortunately, active international solidarity has set down deep roots in the new generation. The desire for high results in labor is not realized without conflicts. A sense of justice is increasingly gaining ground, and attributes such as restrictiveness, callousness, and tolerance of deficiencies are drawing more and more criticism. Our national socialist culture is infused with active humanism.

I think that if Leonid Pochivalov had delved more deeply into this subject, he would not be the captive of the outdated formula of "specific German psychology". Realistically allowing for the factors of changes, he would address something else, namely the specific psychology of GDR Germans, and of their neighbors on the other side of the Elbe. Here we understand psychology to be the way of thinking, the world view, the behavior of a person, group of persons, or a people.

The fact that the characters of different Germans have certain things in common does not mean that these characters are identical. However this difference does not prevent us from arriving at certain common realizations in the sphere of foreign-policy thinking, as the result of a long struggle. I have in mind the thought first expressed by Wilhelm Pieck and later, in the seventies, cited by Erich Honecker at an international discussion, that never again should war originate from German soil. A thought also assented to by the then-Chancellor of the FRG, Helmut Schmidt, and later by Helmut Kohl.

Certainly the contribution of the FRG to the cause of eliminating medium-range missiles excites respect, but much work remains to be done to achieve further improvement in relations between the USSR and FRG, and the GDR and FRG. The more we allow for the realities of peoples' lives and the political positions of their leaders, the more weighty will be the progress in this cause. And this allowance should be free of illusions or embellishment, or the opposite, an overly pessimistic view.

However one cannot disdain a differentiated approach to sociopolitical questions, and replace the notorious formula "Germany...over everything" with the formula "Germans are first of all Germans"...

With regard to the attitude in the GDR toward perestroika in the Soviet Union, the author cites the words of certain persons from our country with whom he talked. I was simply entertained by the ideas of one of them about our "national character": "If a German is put into action, he will persevere toward the goal, even without a good idea of the final result".

From Heinrich Heine ("On the History of Religion and Philosophy in Germany") I know that we are a methodical people. In "Addenda to the 1870 Preface of the 'Peasants War in Germany' of Friedrich Engels, I read that one of the advantages of the German workers was that they belonged one of the most theoretical peoples of Europe, and that they retained a sense of theory that the so-called "educated" classes of Germany had lost almost completely. And now I should believe that in fact I belong to a nation which perseveres toward an unclear goal? Then I turn to my compatriot, who in his interview with the Soviet journalist stated: "You have to know a German", and say to him: "You have to know Germans better!"

Now, as for perestroika in the Soviet Union. There are different nuances and accents in perestroika and in our transformation of developed socialist society. This is related to specific characteristic features of the Soviet Union and the GDR. Processes are not identical, but related. Well, what do they have in common? The Politburo of the Central Committee of our party noted in its report to the 6th Plenum of the CC, SED on 9 June 1988, delivered by Kurt Hager: "The extent to which socialist countries succeed in imparting to socialist society a dynamic and effective character by raising labor productivity, and thus enhance the attractive force of socialism, is of strategic importance". Every success in the cause of a closer combination of economic and social policy, in the cause of strengthening its unity, deserves the most careful attention on the part of fraternal countries.

In this spirit we continue to implement the decisions of the 11th SED Congress. The 19th All-Union Conference of the CPSU publicly discussed the experience of problems considered in the report by Mikhail Gorbachev. Thanks to extensive coverage on the pages of NEUES DEUTSCHLAND, GDR citizens were able quite accurately to envisage the nature of these events. Their position in this question became unequivocal. They welcome steps aimed at achieving higher dynamism and effectiveness in the Soviet Union and other socialist countries. The GDR shows a sense of sympathy, solidarity, and support for these processes, and is also happy when sympathy, solidarity, and support are shown toward it.

Considering the high level of interweaving of the economies of our countries, mutual practical support acquires special importance. A major exhibition of the GDR, opened from 16 September to 9 October at Pavilion No 1 on the grounds of the VDNKh [Exhibition

of Economic Achievements] vividly demonstrated the aspiration of leaders and workers to expand and deepen cooperation between the GDR and the USSR. This is our republic's largest exhibition of abroad. Its goal is further expansion of the close economic relations, characteristic of our political alliance, in the sphere of commodity exchange and cooperation of production at the highest level. Comrades Erich Honecker and Mikhail Gorbachev visited the exhibition and confirmed the importance of purposeful joint work in this area.

I cannot overlook one paragraph in Leonid Pochivalov's article in LITERATURNAYA GAZETA, since it touches on the sphere of activity for which I bear direct political and professional responsibility. I am speaking here of the publication of works of Soviet literature in the GDR.

In order not to be misunderstood, I want to immediately stipulate that it is fine with me if it is noted that there have been and continue to be discussions surrounding the question of the publication or non-publication of a particular work. However, I want to point out the following, so that the impression is not given that works of Soviet literature have had a hard time of it in the GDR in recent years.

GDR publishing houses annually print an average (this refers to most recent times) of 350 Soviet book titles (scientific and fictional, both contemporary and works from the literary heritage). The total printing amounts to around 6 million copies annually. For comparison, let me point out that there are 16.6 million inhabitants of the GDR.

Many works of contemporary Soviet literature, about which it is rightly said that they have played an important role in the cause of emotional and philosophical preparation of the present perestroika, are well known to GDR readers.

Works of Soviet writers of recent times, which have aroused great interest among Soviet readers ("The Block" by Chingiz Aytmatov, "Fire" by Valentin Rasputin, "The Sad Detective" by Viktor Astafyev) were also published in the GDR. Soon there will be works by Aleksandr Bek, "A New Appointment" and Vasilii Bykov, "Career". Preparations are under way for publication of works of other authors as well (Dudintsev, Granin, Pristavkin, Trifonov, and Tendryakov). Works by Gorky, Gladkov, Sholokhov, Fadееv, Fedin, Mayakovskiy, Aleksey Tolstoy, Babel, Bulgakov, Zoshchenko, Erenburg, and Simonov have been published and republished. In the 80s works by Bunin and Platonov have been published and continue to be released. To the earlier-published books of poetry by Boris Pasternak will be added a multi-volume collection of his work.

One can only regret that the author of the article paid no attention at all to contemporary literature in both German states. GDR works of literature give a clear idea of the life, feelings, and thoughts of the people. And we are glad that many of these works have found their way to Soviet readers.

The world is boundless, but the newspaper page has its limits. Even in a discussion of such an interesting subject, one must restrict oneself to individual points. If it is permitted, I would like to address two more points: to ask a question of one of my compatriots, quoted by Leonid Pochivalov, and also to make a request of the author.

Now, the question to my compatriot: you assert that after the war we in the GDR borrowed few words from the Russian language, except for the word "sputnik". While in the FRG, as you assert, Americanisms became widespread.

The first thing that came to my mind on reading this was the Russian word "stranno" [strange]. Your comparison sounds almost as if you regret the fact that Russianisms have not spread in the German language of the GDR. I quite agree with you that we must better study the Russian language. But does not the stream of Americanisms in the speech of many FRG citizens testify to the fact that we are dealing here with an artificial, deliberate impoverishment of the German language?

On the contrary, I believe that the way that the cultural influence of the Soviet Union is exerted on the GDR is worthy of emulation. Soldiers and officers of the Soviet

Army have returned to our people books by Marx and Heine, Zweig and Mann, Ossietzky, and Tucholsky, that had been confiscated and burned by the Nazis, along with works by Pushkin and Gogol, Dostoevski and Tolstoy, Gorky and Mayakovskiy. Together with the soldiers of the Soviet Army, or following after them, in addition to political fighters came writers such as Willy Bredel, Erich Weinert, Johannes Becker, Friedrich Wolf, Fritz Erpenbech, and Hedda Zinner, who continued here, in their motherland, the work of forming anti-Fascist and democratic consciousness that they had begun in the USSR among German prisoners-of-war. Eternally remembered also are those young Germans who, in the uniform of soldiers of the Soviet Army, took part in the liberation of our people, as for example, Konrad Wolf, who later became president of the GDR Academy of Arts.

Now about my request. After writing this "article about an article", I better understand that the logic of an argument is an indispensable element of the culture of the argument. I intended to guide this conversation in a calm channel, using formulations that were friendly and as gentle as possible in response to your ideas, dear Comrade Pochivalov, especially since I have very friendly feelings toward Soviet comrades and colleagues. I hope that I have succeeded in remaining calm and friendly. As for the formulations, the logic of the argument at times forces one to sharp comparisons and expressions. I ask you and our common readers to relate to this with understanding. And if one of the comrades sees points of controversy in this article, then this will give me cause to ponder the questions that they discuss. We are learning to conduct a public argument across the borders of our fraternal countries.

### Restructuring of CEMA Currency Mechanism Discussed

18250064 Moscow *EKONOMICHESKOYE SOTRUDNICHESTVO STRAN-CHLENOV SEV* in Russian No 10, Oct 88 pp 91-95

[Article by Professor Milcho Stoimenov, doctor of economic sciences, People's Republic of Bulgaria, under the rubric "Improving the Mechanism of Cooperation": "Restructuring the Currency Mechanism of Socialist Economic Integration"]

[Text] The realistic assessment of achievements in socialist economic integration which was given by communist and workers parties of the CEMA member countries and their last congresses persuasively revealed the necessity of restructuring the integration mechanism. The working meeting of communist and workers party leaders held in Moscow in November 1986 determined that restructuring it is an important collective task which cannot be delayed. The 43d (Special) Meeting of the CEMA Session approved measures to carry this out. Study of these problems has been under way in CEMA member countries and CEMA organs, and practical steps are being undertaken in the direction outlined. The decisions of the 44th Meeting of the CEMA Session and approval of its collective Conception of the International Socialist Division of Labor for the 1991-2005 Period are important in this plan.

Currency and credit relationships occupy an important place in a unified integration mechanism. Their role is being particularly increased under conditions in which commodity-money relationships, which are now gaining a foothold in CEMA member countries as one of the basic components in the mechanism of economic management, are being extended.

#### Underestimation of the Currency Mechanism in the Past

In attempting to explain the lag of currency relationships behind other elements in the integration mechanism, they point out first of all, as a rule, that they are a derivative of material processes and production relationships. For this reason, their improvement has always been made dependent on the extent to which objective conditions, primarily in the area of production integration, had matured. Without denying the correctness of this statement in principle, we cannot help but note that it underestimates the active, independent role of currency and credit relationships.

To a greater extent, the lag in developing the currency mechanism is the result of minimizing the role of commodity-money relationships and the excessively centralized management system which has long been characteristic of CEMA member countries' economies and which has been retained until the present time. The isolation of planning from the market and the tutelage of economic organizations by central planning organs has turned

planning activity into administrative and bureaucratic activity which disregards the instruments of value. The methods, forms and means of managing national economies are inevitably reflected in the integration mechanism as well, including the area of currency.

The inability of the currency mechanism to respond to current requirements dictated by CEMA member countries' conversion to intensive development is largely the result of the established practice of resolving the problems of production integration and turnover separately. The currency mechanism has been obstructed by a set of international planning and coordination instruments with all the features of a strongly centralized management system.

The counterposition of integration in production and turnover leads essentially to the breakdown of a unified whole into two parts. Effective production integration is impossible without integrating markets. Without their organic connection it is difficult to bring about the mutual interweaving and close interaction of national economic structures. Underestimation of this interdependence is hampering development of socialist economic integration.

The insufficient preparedness of CEMA member countries for the mutual openness of national markets has played a definite role in holding up the development of currency and credit relationships. State monopoly in foreign economic relations and a currency monopoly are continuing even today to perform a protective function to a large extent. The theoretical objective of reinforcing integration functions in currency and credit relationships which has been reflected in the economic literature in recent years is correct, but it is still far from being completely realized in practice.

The transition to active and direct inclusion of economic organizations in integration processes now being implemented by fraternal states through development of production, scientific and technical, and other relationships objectively requires that a fundamentally new currency mechanism be developed.

#### Restructuring the Currency Mechanism

The extension of integration as the result of participation by the subjects actually involved in economic activity requires a currency mechanism which reflects a specific level of interaction, one which is "open" with respect to economic organizations. Those elements in it which accommodate economic ties between the direct participants in integration processes should be of high priority. At the same time, they should be linked most closely with the set of instruments which regulate currency relationships at the intergovernmental level with the aim of achieving domestic unity. In the process, the "coupling" of instruments at both levels should take place "from the bottom to the top."

This approach to restructuring the currency mechanism is dictated by the fact the specific interests of economic organizations, which can only be regulated effectively by the currency mechanism in force, are displayed in direct relations between the subjects of economic exchange.

A multilateral system of payments in transfer rubles is successfully accommodating currency relationships at the intergovernmental level. However, the set of instruments in it is not suitable for maintaining payment relationships between the subjects involved in international economic exchange and does not meet economic organizations' requirements in direct ties. To begin with, practical currency exchange rates and convertible currency are required in regulating mutual payments. This also applies to the systems for extending international credit in CEMA which are now functioning mainly at the intergovernmental level and practically disregard economic organizations.

**An integrated currency mechanism can operate effectively if it is organically linked with national currency mechanisms.** They should be interwoven as two parts of a single whole. Experience shows, however, that a unified orientation is lacking in CEMA member countries' currency and credit cooperation at the intergovernmental and national level.

Mutual coordination of integrated and national currency mechanisms gradually draws the domestic rules and norms of currency regulation closer together. This is extremely important with respect to the CEMA member countries' internal economic mechanisms. Despite the fact that the need for such rapprochement is understood, effective steps in this direction have been very limited. The differences in economic mechanisms are leading to noncoincidence of economic organizations' interests, which makes direct ties between them more complicated.

An integrated currency mechanism functions in an area influenced by internal and external factors. For this reason, it should be flexible, capable of rapidly adapting to changes, and carry over the positive tendencies developed in international economic life to the economy of individual countries. Prolonged uniformity in its basic elements is not a sign of stability; it leads to the point where it is cut off from economic reality and the requirements of changing conditions, and in the final analysis it lessens the effect of the influence of the mechanism as a whole. We can point out with justification that the shortcomings in developing the functions of the transfer ruble were caused by a conservative position with respect to the multilateral payment system, in addition to everything else. Assessment of it as almost the highest form of organization in the currency area under socialism is not conducive to exposure of shortcomings and a search for solutions to improve it.

Restructuring of the currency mechanism and the substance and functions of its elements—the transfer ruble, national currencies, currency rates of exchange, credit, and so forth—should correspond to the nature and requirements of commodity-money relationships between the CEMA member countries.

### **The Convertibility of Socialist Currency**

A radical aspect in restructuring the currency mechanism of socialist economic integration is the transition to currency convertibility within the CEMA framework, which means establishing a qualitatively new foundation for its functioning and bringing it into conformity with the objective requirements of cooperation. Exceptionally important problems such as the establishment of practical exchange rates, an increased role for the transfer ruble, improvement in credit, and so forth are also resolved at the same time that currency convertibility is introduced.

Based on the decisions of the 43d (Special) Meeting of the CEMA Session, a number of fraternal states have announced their intention to make the transition to convertibility of national currencies. This is a practical expression of reinterpretation of the role of the system of currency relationships which has been considered incompatible with a planned economy for decades. Currency convertibility has been opposed by the monopoly of the socialist state in the foreign economic area for a long period of time. It was categorically assumed that it was typical of capitalism's market economy. Socialist organization of foreign economic activity has been identified with the state's exclusive right to conduct all export and import operations and currency calculations in a centralized manner. In the pre-integration period, the monopoly operated in a closed economic system. At that time, excessively developed centralism was characteristic of foreign economic activity. The excessive centralization of the management system led in practice to isolation of socialist countries' national economies from the foreign market.

The situation taking shape under the conditions of socialist economic integration is altogether different. State monopoly in the foreign economic area is acquiring new development, which is reflected primarily in the gradual elimination of its protective functions and its subordination to integration goals. It is being transformed more and more into a factor for unity in the CEMA member countries' economies. This active function of the state monopoly is reflected in changing relationships between economic organizations, in the nature of the direction taken by commodity and currency flows, and in the tendency to "erode" national economic boundaries. The trading and currency restrictions typical for the state monopoly under the conditions of a closed economic system are logically giving way to economic forms of regulating mutual cooperation and integration. The monopoly of the socialist state in the foreign economic area is itself becoming an objective of

integrating influence. Currency convertibility is objectively influencing this process by contributing to the mutual openness of the economies. With convertibility, practical conditions are created for economic organizations to enter the international market independently and to take part firsthand in economic exchange.

Currency convertibility does not infringe upon the planning principle in managing foreign economic activity. The fundamental opportunity for its use in a planned economy lies in the commodity nature of socialist production, which is also the initial condition and objective basis for the operation of such a currency system. It is inherent in the very nature of socialist commodity production, together with categories such as price, profit, credit, interest, and so forth. By acquiring the right to enter the international market independently and to establish direct contacts with foreign partners, economic organizations engage in foreign economic relations under society's control. The socialist state regulates their activity with the help of economic levers.

At the same time, the socialist state's monopoly in the foreign economic area is acquiring fundamentally new features. It is being transformed from an instrument of administrative centralism in the past into a lever for economic regulation of this field. Currency convertibility becomes one of the basic elements in this system of management. It facilitates economic organizations' entry into the international socialist market and links them with it in an economic manner. The conditions for trading in the domestic and foreign markets are brought closer to each other. Producers locally should ensure that output produced is of high quality, taking into account the pattern of demand on a national scale, which will still be strongly influenced by factors in the international socialist market with currency convertibility. The opportunity to induce a supplier in the domestic and foreign market will choose the producer to think continuously about the quality of a product and updating it, that is, he will always be oriented toward the highest achievements of other fraternal states in a given field. This also applies to exporters. If the product they are offering ceases to be competitive and of high quality, they risk losing their market.

With currency convertibility, practical prerequisites are established to ensure that foreign sales conform more completely to planned conditions. Just as the work of economic organizations is assessed by society economically, as well as from the standpoint of international achievements, so the market corrects individual decisions of the central planning organ and brings them into conformity with the changing national economic situation.

Currency convertibility helps to stimulate use of the set of value instruments which is considered of vital importance in the CEMA member countries' system of economic management. The mechanism which continuously assesses the economic justification of national

currency exchange rates is absent in a closed currency system. Experience demonstrates that underestimation of the rate of exchange as an instrument of economic regulation is not a privilege, but a substantial shortcoming of a planned economy. It is deprived of the most important parameter for determining its place in the international division of labor. The national rate of currency exchange is given real substance with currency convertibility. It is turned into an effective economic category and becomes a necessary attribute of economic policy and an instrument for effective influence on economic activity.

Currency convertibility provides for a more realistic correlation of prices and their use as an active lever of economic management. In a closed currency system, domestic prices, as a rule, lose touch with world prices. Steps are being taken in a number of countries to overcome this situation by price reforms. However, without convertibility it is impossible to create economic conditions to maintain a constant correlation between domestic and world prices. One-time reforms can bring domestic price proportions into conformity with world proportions only for a brief period of time. Then domestic prices inevitably continue to be set separately from world prices. The socialist economy really needs a system of prices which is open to the foreign market and which reacts dynamically to the changes which take place in it. It can be provided only by introducing currency convertibility. Then the law of value will bring domestic prices into line with world prices.

Bulgaria, the USSR and the CSSR have made arrangements to utilize their national currencies in payments when there are direct relations between economic organizations.

It seems that the sphere of activity of currency convertibility should be expanded. At the same time, it is important that currency convertibility not be approached simply from the position of technical simplification of international accounts by assessing it only as a banking operation for the exchange of currencies. It should be viewed primarily as an economic measure for incomparably better adaptability of an economy to the rapidly changing conditions in the international market. It gives new quality to national currencies, enabling them to become a link between the domestic and international spheres of economic life and an active factor in the development of socialist economic integration. In the final analysis, currency convertibility will lead to a united market of CEMA member countries in which relatively free movement of production factors will be ensured.

Restructuring of the currency mechanism is far from being confined to currency convertibility, although it is the principal direction in it. A system for extending credit in cooperation is needed in radical reforms as well. The current role of credit extended by the IBEC [International Bank for Economic Cooperation] needs to be

reevaluated. In the future, with the shift to full reciprocal convertibility of the transfer ruble and national currencies (meaning coverage of all the subjects involved in international economic exchange and all payment operations), the bank should change its functions significantly. In our view, it has been called upon to concentrate its activity on granting credits to resolve problems related to equalizing the balances of payments of fraternal states, but payments between economic organizations may be made through commercial banks in CEMA member countries.

The activity of the IIB [International Investment Bank] would have to be restructured as well. Today it is only an intermediary between the supplier and the purchaser of investment equipment formally credited by the bank. It is necessary that the IIB really be turned into a bank for extension of long-term credit without limitations. It appears that the need is arising to establish a credit market in the socialist community for direct service to economic organizations, within the framework of which it would be possible to authorize the issuance of securities. This is already being done in certain fraternal states, which creates favorable conditions for such a step in the international socialist market as well.

The idea of organizing a special bank to extend credit for direct ties between economic organizations in CEMA member countries is worthy of attention. It would simplify direct production and scientific and technical cooperation between them considerably. It is also expedient to make use of firm crediting, which would promote the development of economic relationships between those involved in economic activity.

Radical restructuring of an integrated currency mechanism requires that we proceed to its ultimate objectives—the establishment of a currency union with a single currency—consistently and by stages. However, using the correct requirement of gradualness in principle as an excuse for groundless delay of the process cannot be tolerated. We have to take into account the negative consequences of unjustified delay in restructuring the international socialist currency system. We cannot put off solution of problems because they are not “ripe” enough. A great many of them have accumulated in the currency relationships of CEMA member countries. In order to resolve them, not only economic readiness, but political will and determination are necessary.

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#### **Hungarian Professor Interviewed on CEMA Economic Integration**

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in Russian 27 Dec 88 p 3

[Interview of Kalman Peche by SOVETSKAYA ROSSIYA correspondent V. Shilov: “Conceptions and Microlevels”]

[Text] The USSR places priority in its foreign economic relations on cooperation with the socialist countries,

especially the CEMA member countries. A difficult situation is arising here. According to USSR Goskomstat [State Committee on Statistics] data, the volume of commodity turnover with the socialist countries is displaying a tendency to decline, and imports are increasingly surpassing exports. We have an unfavorable balance with Bulgaria, Hungary and Czechoslovakia. The question of improving the effectiveness of our foreign economic cooperation, and about restructuring the entire CEMA system, is an extremely acute one. Professor Kalman Peche, the well known Hungarian scholar, and deputy director of the research institute of world economics, Hungarian People's Republic Academy of Sciences, today expresses his views on this problem.

[PECHE] I would not call the current state of commercial relations among the countries of the socialist community an integrating process. It would be more correct to speak about economic cooperation. You see, in our group of cooperating countries a slump in the dynamism of mutual trade, and a slump in purchasing power of the market, has already been going on for a prolonged period of time. The main reason is the sharp decline in the ability of the Soviet Union to pay, caused by the drop in world prices for oil, which for many years has occupied the lion's share of Soviet exports. We all sharply felt the negative consequences of the fact that, in the 1970s and early 1980s, there was essentially no structural development in the foreign trade of the socialist countries.

Foreign economic cooperation is based on the internal economic positions of individual countries. If one surveys the Eastern European region as a whole, one can distinguish three basic stumbling blocks. The first is the extremely unsatisfactory dynamic of technical progress, and consequent low competitiveness of our equipment and commodities on the world market. The second is that the region (with the possible exception of Hungary) does not fully support itself with food, although possibilities for this undoubtedly exist. And, the third is the growing disparity between the purchasing power of the population and available goods. This is also the source of the inflationary pressure on the economies of all the countries of our community. And it is necessary to tell the whole truth about these inflationary processes, not glossing over their sharp edges and dangers. For example, in Hungary inflationary processes are manifested in the unrestrained, absolutely furious increase in prices. Such phenomena are also seen with our neighbors. All of these things, in my view, are signs of an economic recession, whether we wish to recognize it or not. In my view, the forms and methods of our foreign economic cooperation in the past 20-25 years were not adequate to the strategic policy put forth toward economic integration, and led to negative results.

[SHILOV] How do you envision the restructuring of foreign economic cooperation? Apparently we are shifting from centralized to market regulation. How is a united socialist market to be formed?



[PECHE] I must tell you that I do not perceive as realistic the slogan, "create a united socialist market," that the higher CEMA organs are proclaiming today. Why? In order to create a united socialist market, it is necessary to have, as a minimum, markets that we intend to unite. It is impossible to unite what does not exist. Thus it is necessary first to create a market within each country. This depends on the political development of the restructuring processes within each country. So far market relations in the majority of the countries of the socialist community are still barely emerging, and administrative regulating continues to predominate.

Thus, in my opinion, we are still rather far from a united socialist market. And we economists should not mislead the highest leaders of our countries. We must see things as they are, and structure economic analysis on this basis.

Today, when the USSR is experiencing a deficit in its ability to pay, voices are being raised in Hungary suggesting that we curtail economic cooperation with the Soviet Union, and leave CEMA. I disagree resolutely with this. I believe that we, Hungary, will not be able to overcome the crisis phenomena in our economy, without extending cooperation with the socialist countries, especially the Soviet Union. It goes without saying that we must rid ourselves of foreign economic one-sidedness, and more quickly carry out structural restructuring of our internal market. But, as we do, we must not forget that the West, of course, is not interested in helping us. Our main support, undoubtedly, remains cooperation with socialist Europe. This cooperation will develop more quickly with those countries where economic reforms are taking place that are similar to ours. It is clear that here an economic mechanism is needed that makes possible market based cooperation.

What do I see as the future of foreign economic relations? On the one hand, we should slow down the development of the old export-import structure, and not continue to manufacture goods that are no longer competitive. At the same time, we should support in every way the movement to market of the most modern means of production and goods, such as, say, electronic computer information means, etc. It is a very difficult task. I believe that at least two or three five-year plans will be needed to restructure the import-export structure. Therefore, in my view, we should not immediately destroy the transferable ruble system. We cannot use new convertible currency while the old commodity exchange structure is retained, and the old currency is unacceptable for the new structure. This means that we need some sort of convertible currency during the process of structural restructuring of commodity exchange. This can be the Soviet ruble, with limited foreign convertibility. Then it can be used for operating joint enterprises, including those that have been created with the participation of capitalist firms and owners. In this, in my opinion, is also contained the dualism of restructuring

Soviet-Hungarian foreign economic relations to create a new integration model, in which the partners would be mutually satisfied with one another.

[SHILOV] What, in your opinion, interferes with CEMA becoming a more effective center of economic socialist integration?

[PECHE] I believe that for a number of historical reasons the basic motto in relations among the countries of the socialist community has been incorrectly formulated. I dare say that our relations should be structured not on mutual economic assistance, but on mutual economic cooperation. The present state of CEMA is entirely inadequate to the economic and political tasks of the 1990s. We see that CEMA cannot suitably meet the challenges of the world scientific and technical revolution, and those of the European Economic Community system. It is entirely clear that it is necessary to change the political conception of cooperation among the socialist countries, based on the experience acquired by the community.

The question of the role of the Soviet Union arises in connection with the new political conception of socialist cooperation. Now all our countries to a significant degree are tied to the Soviet market, and much less economic cooperation has developed among the other socialist countries. It seems to me that such a mighty economic power as the Soviet Union cannot, on the whole, be for us an integration partner. In the political aspect the USSR, obviously, must play a certain patronage role. But, on the economic plane, our relations must be those of partners, and not be subordinate to instructions coming from some CEMA center.

It seems to me that an integrating group for organizing the international socialist division of labor could successfully fulfill the present CEMA role. A group such as, for example, OECD [Organization for Economic Cooperation and Development], to which Western Europe, the U. S. and Japan belong, could do so. They organize worldwide division of labor, and the entire apparatus consists of about 40 people. It is an economic and political organ, which organizes meetings of the top leaders, and carries out measures at the highest level. All of the socialist countries, including even China, could cooperate based on such principles. But, at the same time, Eastern Europe must also have its integrating organization of socialist countries. Such an organization must emerge in the process of developing integration at the microlevel. I have in mind the creation of joint enterprises on the basis of mutual economic interests. Here not entire countries are the actors, but specific enterprises: Elektrosila, VAZ, etc., and relations are structured exclusively on economic interest, without any political coloration.

Despite the delusions of some of our economists, I believe that the Soviet market remains for us an economic bulwark. It would be simply absurd for us to leave



this market at a time when the British, Italians, West Germans, French and Americans are rushing to enter it. Definite competition is being created, which requires that we decisively improve the quality of the goods we sell to the USSR. Unfortunately, we have workers in both the state and government apparatus who do not understand this, or close their eyes, out of some unclear political considerations. I do not agree with them, and believe that there are great opportunities and prospects for Soviet-Hungarian cooperation. I believe that there is no other path for us.

It seems to me that now, when Soviet enterprises and cooperatives have received the authority to conduct foreign economic matters independently, it would be possible to work out new models of integration on market bases, having strengthened our cooperation with the closest regions—Belorussia, the Ukraine, Moldavia and the Baltic republics.

[SHILOV] What can you say about the development and forms of economic interaction and cooperation between the countries of the socialist community, and the states forming the European Economic Community [EEC]?

[PECHE] It must be distinctly understood that integrating processes are taking place more quickly within the framework of the EEC. By 1992 they intend to create a united internal market. Of course, one can believe this or not, but it is indisputable that progress toward the goal will be substantial. Unfortunately, the countries of the socialist community are lagging here. Why? I believe that the community of CEMA countries today does not represent an economic entity, but is rather a conglomeration of various economic interests and conceptions. For example, some countries permit enterprises to enter the foreign market, and others do not. As I already stated, cooperation must develop along the path of microintegration on the basis of commerce.

It seems to me that it is still very difficult for us to cooperate with the EEC on the macrolevel, as one economic grouping with another. I believe that here as well it is preferable to begin at the microlevel. Of course, such two and three-sided enterprises can be large, medium sized or small, but all of this must be a stable and long-term industrial policy. New conceptions, and organizing and integrating forms of cooperation that are adequate to them, are required to carry out such a policy.

**Role of Gold in Foreign Economic Relations**  
*18250043a Moscow IZVESTIYA in Russian 30 Nov 88*  
p 7

[Interview with Andrey Vladimirovich Anikin, doctor of economics, professor, sector chief of the Institute of World Economics and International Relations of the USSR Academy of Sciences, by V. Moskvichev: "Gold—Problems and Paradoxes of the Valuable Metal"]

[Text] Everyone probably knows that the Soviet Union is a country that mines gold. Many thousands of people work in this branch. But what happens to this valuable metal which these people produce with considerable expenditures and at the price of hard work? Does it go abroad and under what conditions? Gold has been the world's money for thousands of years. The first documents that reflect this role of the yellow metal comes from the 15th century B.C., from ancient Egypt. How does gold function in the world economy now? How are the changes in its status reflected in the interests of the Soviet Union, and how is gold linked to the economic reform being conducted in our country? IZVESTIYA's questions are answered by the author of the book "Gold," Doctor of Economic Sciences, Professor, Sector Chief of the Institute of World Economics and International Relations of the USSR Academy of Sciences, Andrey Vladimirovich Anikin.

[Moskvichev] Do we know how much gold there is in the world? Not in the ground, of course, but among the people.

[Anikin] We know approximately—about 100,000 tons. These estimates do not include all of the figures for socialist countries, so that in reality there is somewhat more. There are 36,000 tons in the so-called centralized reserves belonging to governments, central banks, and international organizations. No less than 20,000 tons are in private accumulations in the form of bars and coins, and the rest is used for jewelry items and all kinds of other forms.

[Moskvichev] Gold has been taken out of circulation and the countries belonging to the International Monetary Fund have agreed not to base currency on gold. Why then do they have centralized reserves?

[Anikin] Yes, gold has ceased to be money in the previous sense of the word. But it has not become an ordinary commodity like copper or even silver. The age-old tradition of the "golden calf" is too strong and no agreements can change all this immediately. The countries do not keep accounts among themselves in gold, the gold content of currencies has been abolished or does not play a real role, but in the world market gold is still a special commodity. It can be easily sold for any currency which a given country needs. The largest gold supply is in the United States, and then come the FRG, Switzerland and France.

[Moskvichev] And the USSR?

[Anikin] Unfortunately, this figure is not published. Responding in the newspaper to "Arguments and Facts" to this same question, the USSR deputy finance minister could only state that "our gold supply is among the largest in the world and is quite adequate...." There is no doubt that the USSR is second in the world in gold extraction after the Republic of South Africa, but we still do not know the official statistics here. As they say, the people who need to know do know. It is characteristic that the publication of figures about gold, like a mass of other statistics, was curtailed in the 1930's when along with the personality cult a cult of secrecy was formed. I do not see any justification for keeping this secret. It only gives fodder for Western analysts who publish their own estimates of Soviet extraction, exports, and supply of the yellow metal. And we neither confirm nor deny them. As a result, if it turns out the way V. A. Rubanov has written about it in his very timely article, "From the Cult of Secrecy"—In an Information Culture" (KOMMUNIST, No 13 for 1988): "Soviet scholars have been forced to glean from foreign sources information about the state of affairs in various spheres of life in our country." Sometimes one hears: Secrecy is necessary here in order to sell our gold more successfully abroad and not, as it were, to show our cards. This is absolutely unconvincing. Ultimately petroleum is a more important commodity for us but the statistics concerning its production are made public.

[Moskvichev] But which figures do foreign sources use?

[Anikin] Various ones. Estimates of Soviet gold extraction are usually in the range of 250-350 tons a year (in recent years the RSA has been extracting about 250 tons), and exports (sale for free currency) are estimated over two decades at an average of 200 tons a year while the reserve is 1,400-2,000 tons.

[Moskvichev] But is it a good idea for us to sell our gold? After all, this is a limited natural resource.

[Anikin] It is difficult to give a simple answer. On the one hand, nature has rewarded our country with rich deposits and with respect to gold, as economists tell us, we have a relative advantage, that is, the relationship between our expenses and the expenses of other countries is more favorable with respect to gold than with respect to many other commodities. Therefore it is fairly natural that we produce and export gold. For the RSA, Australia and Canada also find this advantageous, the more so since the price of gold on the world market is relatively high: higher than 12 years ago by a factor of 12-13. There is perhaps no other commodity whose price has increased as sharply during this time. On the other hand, of course, we should be selling much more equipment and industrial consumer goods. Our long-term export strategy is directed toward this. But so far our exports are still mainly raw materials. Since other export items do not cover the imports gold is sold.

[Moskvichev] What role does gold play in our national economy besides financing imports? Do we need a gold supply to maintain the stability of money within the country? What does the gold content of the ruble mean?

[Anikin] In recent decades gold has acquired an important "specialty"—in electronics. In Japan more than 50 tons of the metal are used annually for these purposes and this amount is steadily increasing. Obviously, this rapidly developing branch in our country will be a large consumer of gold. The production of jewelry items has rich traditions in the USSR. The desire of people, especially women, to have some gold decorations is quite legitimate if it does not become unhealthy. Incidentally, it is much more advantageous to export jewelry items than gold in "pure" form. Such countries as Italy or Thailand gain a considerable share of their currency revenues from this kind of export, although they themselves produce practically no valuable metals.

Gold really has nothing to do with maintaining the stability of the ruble—except perhaps as an easily sold export commodity. The corresponding inscription on notes from the state bank concerning being backed by gold is nothing more than a tradition. The stability of money depends on such fundamental factors as labor productivity, the effectiveness of production, and the increase in commodity mass with a moderate growth of monetary income. The official gold content of the ruble and the price of gold corresponding to it were established in 1961. At that time the official exchange rates of the ruble for foreign currencies were based on this gold content. In the 1970's with the abolition of gold parities the metal base for establishing the rate of the ruble disappeared. Under modern conditions the gold content of the ruble is an anachronism. The real prices of gold existing in the national economy are in no way related to it and exceed the price derived from the gold content many times over. This price is a little more than a ruble per gram, but the state purchases golden coins from citizens at 52 rubles per gram of pure gold.

One must say that the countries that have achieved the greatest economic successes in recent years get by with an extremely modest gold supply and their reserves of international payment funds are maintained mainly in state certificates of the United States and other leading countries and in bank accounts. This, of course, is much more advantageous, especially with the current high rates of loan interest.

[Moskvichev] In what form is gold sold today on the world market?

[Anikin] Most often in the form of standard currency bars. These are bars weighing about 12.5 kilograms (with a certain allowance) that are no less than 995 fine (99.3 percent pure gold). Soviet enterprises usually produce bars of extremely high purity—99.9—the so-called "Four 9's." During buying and selling usually the only things that are transferred are paper titles for gold that is

stored in one of the banks. The physical gold is moved as the remainder of these operations. This is what is done by our Vneshekonombank, which conducts all operations with Soviet gold. The gold dealer is perhaps the rarest profession in the USSR. These sympathetic young people, with the help of modern telecommunications systems, are constantly in contact with the market, that is, with several dozen banks throughout the world. They constantly keep track of the market and, depending on the situation, sell or buy certain quantities of the metal. The difference between these operations of selling and buying forms the net export of gold for one period or another. Briefly, they and their leaders implement in practice the instruction of V. I. Lenin: save gold and sell it at a higher price.

The world market for gold coins has grown in recent decades. At the present time the Vneshekonombank does not export gold in coins. There is also a market for numismatic, collection coins. Many countries produce these coins and the number of issues already runs into the hundreds. It would not be good business for us to stand on the sidelines of this market. A series of coins made of valuable metals produced this year in connection with the 1,000th anniversary of the introduction of Christianity into Russia is of a numismatic nature. The sale of numismatic coins of this and subsequent possible issues will be handled by the joint enterprise "Mezhnumizmatika," which was established recently by the USSR Gosbank, the USSR Vneshekonombank, and the Ost-West-Handersvank (FRG).

[Moskvichev] How is the price of gold on the world market formed, on what does it depend?

[Anikin] First of all, it depends on production outlays and the volume of the supply on the market. In the gold-extracting industry of the capitalist countries there is intensive technical progress which reduces outlays per unit of output. While in the UAR in recent years extraction has been on approximately the same level as in the United States, Canada, Australia, and Brazil, it is rapidly growing. According to available estimates the total production in the nonsocialist world from 1980 through 1990 is increasing by 60 percent. The market is also receiving the so-called secondary gold, mainly scraps from jewelry items. The price depends on the demand. There are three main sectors of demand: from the governments and central banks for augmenting supplies; private accumulators; and industry. One can hardly expect a large demand from the first sector: only a few countries with disproportionately low gold supplies, especially Pacific Ocean countries, will possibly increase their supplies. The demand of the second sector depends mostly on the rates of world inflation since gold is purchased primarily as an insurance fund against devaluation of paper money. From industry one can expect a stable, although fairly slow increase in demand.

As concerns the technical side of the matter, the price is usually fixed in dollars per Troy ounce (3.1 grams). Last

year it was at the level of 400-450 dollars. Few anticipate any significant price reduction; it is more likely that there will be a certain increase.

[Moskvichev] In your opinion, what changes should restructuring make in the gold currency policy of the Soviet Union?

[Anikin] I have already mentioned abandoning secrecy. The gold extraction industry should utilize all the achievements of world science and technical progress. Successful development of this branch depends on complete and effective introduction of the principles of the economic reform that is being conducted in the country: complete cost accounting, real independence of the enterprises, payment for labor according to the final result. It would be desirable for jewelry items and coins to take up a large proportion in the exports of gold. Perhaps there is a place for joint enterprises with firms of Western countries here.

Although indirectly, gold is involved in such issues as our relationship to the international currency system which is embodied in the international currency fund as well as questions of convertibility and the exchange rate of the ruble. This is the subject for a separate discussion. But two things seem to me to be indisputable and important. First, we have no other path except growing integration in the world economy. This follows from the needs of the economy and the very essence of the economic reform as well as from the new political thinking. Hence it is necessary to draw conclusions for our entire foreign economic and currency policy, including the question of the world monetary fund. Second, these problems should be discussed not under the conditions of departmental insularity (I have a good deal of experience in these discussions), but openly, with full statistical and factual information. In this discussion the floor should be given both to specialists and to economists of a broad profile as well as everyone who wishes to express his view.

**Definition, Role of 'Socialist Concern' Detailed**  
18250060 Yerevan KOMMUNIST in Russian 24 Dec 88  
p 2

[Interview with D. Markosyan, director of the Yerevan Branch of the Tekhnokhim State Interdepartmental Concern, conducted by staff correspondent S. Markosyan, under the rubric "timely interview": "Let the Concern Exist"; date and place of interview not given; first three paragraphs are unattributed source introduction]

[Text] We used to think of the word "concern" as an alien, purely capitalist term that was incompatible with the ideas of the socialist organization of production. Our production and research and production associations, and lately, state associations of a new type—socialist

concerns—are not created and do not operate in imitation of capitalist ones. They contribute to the acceleration of scientific and technical progress, rapid entry into the international economic arena, and the strengthening of ties with the CEMA.

That is the purpose for which the Energomash [Power-Engineering Machinery] and Tekhnokhim [Chemical Technology] state interdepartmental concerns were established in Leningrad on the basis of enterprises and organizations of various ministries. The Yerevan Division of the Okhtinskiy (Leningrad) Plastpolimer [Plastics and Polymers] Research and Production Association belongs to one of them, Tekhnokhim.

The editors asked Candidate of Technical Sciences D. Markosyan, director of the Yerevan Branch of Tekhnokhim, to comment on this event. Our correspondent S. Markosyan conducts the interview.

"The idea of establishing a firm of the new type came up among the employees of Leningrad enterprises," said D. Markosyan, answering the first question, "and it was supported by the CPSU Central Committee and the USSR Council of Ministers. We joined the association on a voluntary basis; the decision was taken at a general meeting of our collective. In the event of disagreement, we would have remained in the Ministry of the Chemical Industry."

[Question] But the idea, David Yegiazarovich, is still not action. What specific tasks does the concern face?

[Answer] At a meeting in Leningrad B. Gidaspov, the general director of the State Institute of Applied Chemistry Research and Production Association, defined the essence of the concern as follows: it is a group of enterprises, research and design institutes, higher schools and technicums that have pooled their efforts to solve major national economic problems. For Tekhnokhim, for example, they include the production of modern dyes, materials for electronics, and catalysts. Incidentally, for catalysts our division is the head division. Tekhnokhim is an engineering firm; it is supposed to solve a problem from the initial idea to the turning over of a plant complete and ready to operate in any region of the country or abroad.

[Question] Who belongs to Tekhnokhim? Obviously ministries were highly reluctant to part with facilities under their administration; they do not give up their authority so easily.

[Answer] Our concern includes Leningrad enterprises—seven from the Ministry of the Chemical Industry, four from the Ministry of the Petroleum Refining and Petrochemical Industry, three from the Ministry of Mineral Fertilizer Production, and one from the USSR Ministry of Chemical and Petroleum Machine Building—as well as divisions and laboratories of Plastpolimer in Yerevan,

Omsk, Tomsk and Groznyy, and specialized construction enterprises. Of course, there were organizational difficulties; major enterprises, research institutes and other facilities left the administrative supervision of ministries. However, the decision was taken at the top level.

[Question] Won't the new organization resemble existing ministries? After all, in principle we are opposed to the excessive centralization of management, and the principles of self-management on a democratic basis are supposed to replace ministry diktat.

[Answer] A concern is not a ministry and not just a group of enterprises. It is based on economic methods of conducting relations. The concern is headed by a board, which elects a chairman and a council of directors and will not **manage but direct** work, coordinating the enterprises' efforts and economic and cost-accounting-based relations among them. A relatively small management staff is provided for consisting of several dozen people and having a flexible structure. The staff is made up of business people, and not administrators. The concern's highest body is a meeting of the representatives of labor collectives that convenes once a year.

[Question] How will production plans be drawn up? One way or another, a concern will be required to meet the needs of enterprises in other branches. Isn't there a danger of repeating the monopoly diktat of the producer?

[Answer] We will receive state orders from the USSR State Planning Committee. And not amounting to 100 percent of our output, but covering 70 or 80 percent. The Ministry of the Chemical Industry really was a monopoly producer, but now it is our competitor. To whom are we accountable? To the authority of the soviets—the Lenin-grad Oblast Soviet of People's Deputies.

[Question] But the following situation might arise: financial difficulties emerge, and there is not enough money for development, either technical or social. Won't the concern have to ask for loans from the State Bank?

[Answer] Tekhnokhim is organizing its own joint-stock bank based on enterprises' voluntary contributions. The board has figured that next year, after payments to the budgets of the country and oblast, approximately 200 to 250 million rubles will be left. An impressive sum. There will also be foreign-exchange revenues from the export of output, and profits from joint ventures with foreign enterprises.

[Question] How strong are your division's positions? What matters is the collective working on?

[Answer] Since last year we have been operating on the basis of self-financing, and we have profits to satisfy our needs. Our specialization is the production of vinyl acetate and polymers based on it. I repeat, we are the

head organization in this area of research and development. The division has an experimental plant where we manufacture small quantities of scarce products in a total volume of about 900 tons, for a sum of 1.7 million rubles. Thus, we produce polyvinyl spirit for the electronics industry and polyvinyl acetate dispersion for the stitchless binding of books. For cheese makers, we produce polyvinyl covering for rennet cheeses (previously it was bought in Japan); now the agroindustrial industry saves 80 rubles per ton of cheese. We have a patent on the invention of a triacetin plasticizer for the tobacco industry. Its production has been set up at the Yerevan Polivinilatsetat [Polyvinyl Acetate] Production Association, which has made it possible to partially eliminate importing it from abroad. A new polymer coating has been developed for the picture tubes of color televisions. Recently production of vinyl acetate from ethylene was introduced at the Budennovsk Plant of the Stavropolpolimer [Stavropol Polymer] Production Association, which has resulted in a 25 percent increase in the production of finished output using the same production capacity. The next task is to make production at our Polivinilatsetat waste-free. We are working on the solution of ecological problems—the treatment of liquid and gaseous waste.

[Question] A final question, David Yegiazarovich. What is your attitude toward the establishment of concerns such as Energomash and Tekhnokhim in our republic?

[Answer] A positive attitude. It takes time. The Lenin-grad experience is still relatively limited, but the obstacles have already been overcome. The abandonment of administrative-command management and excessively close supervision will help open up new ways to intensify production. Formalities have been eliminated in relations with foreign organizations and specialists; we are establishing contacts with enterprises in the GDR, Bulgaria and Czechoslovakia; our chemical manufacturing colleagues from the Korean People's Democratic Republic are interested in the possibilities of an exchange; and next year the concern will establish relations with capitalist firms, too.

Such prospects can also open up for the republic's enterprises. I have in mind the **establishment in Armenia of concerns in the electrical-equipment and machine-tool-building industries and light industry**. Concerns can independently solve many problems, especially problems of scientific and technological progress. The republic has a base for this.

#### **Tire Makers' Right to Part of Car Export Price Discussed**

18250063 Moscow SOTSIALISTICHESKAYA  
INDUSTRIYA in Russian 20 Jan 89 p 2

[Article by A.Tertychnyy: Punishable "Conscientiousness"]

[Text] As we know, cars are sold for export. They're sold along with their wheels, on which, by the way, are tires. Here's a question for you: do the tire manufacturers have a right to the hard currency value of the exported cars?

You don't know? No wonder. This is a riddle from the series, "Don't say yes or no, just give the right answer!" This is exactly how to sum up the situation in which the Byelaya Tserkva tire factory collective found itself. It supplies tires for the Minsk, Kremenchug and Togliatti car factories. Therefore, it requested of them that the hard currency earned from car exports be shared. They received a categorical answer: they were shown the door.

"It was a strange situation," said deputy chief engineer of the "Byelotserkovshina" planning department, A. Veber, in commenting on the car manufacturer's answer. The law on state enterprise, as established by the USSR Council of Ministers on improving foreign economic activity without question encourages exports. But just try to make these resolutions concrete on the department level, and the situation changes drastically.

Indeed, last year the union sold 7,500,000 rubles worth of tires abroad. This hard currency was received in strict compliance with the instructions on procedures of calculating foreign currency, the law of deposits and the basic laws regulating contract relations. The sum came to "less than zero," as they say.

There's nothing surprising here. The real coefficients of calculation dictate the deliberate inequality of enterprises of various branches. For equal export volumes, different collectives receive unequal sums of hard currency. And this confirms the inequality in opportunities to develop production.

"If we received hard currency, even a little, but some hard currency, it was for direct export, but for tires mounted on exported cars, the collective got nothing," said A. Veber.

"But you're not sharing with them, either!" the inexperienced reader will say. "Supply your tires for direct export..."

"How can that be?" the experienced reader will reply. "There's government procurement, mandatory supply orders..."

Despite the fuss, the tires don't amount to a hill of beans. The collective needs 200,000 rubles of hard currency just for spare parts for imported equipment. And modernization would cost 2-3 million.

Alas, increased labor and material expenses for the manufacture of tires for exported cars is not compensated. So, for all the articles, the tire makers have only one incentive: conscientiousness. It's being punished morally and materially.

**Belorussian Vuzes Lagging in Manager Training**  
*18250088 Minsk SOVETSKAYA BELORUSSIYA*  
*in Russian 4 Jan 89 p 2*

[Article by V. Areshchenko, dean of the Economics Faculty of Gomel State University, and S. Drozd, general director of the Gomselmash Production Association: "Where Can We Train Managers?"]

[Text] "Manager" is now one of the most popular words. The press is full of announcements of new forms of training of modern commanders of production; not just vuzes, but also cooperatives are involved in this extremely necessary business, and foreign specialists are being drawn into it. This is understandable; the issue, as they say, has come of age.

Unfortunately vuzes in our republic are still not training future managers. Meanwhile this process can begin even now. Our Gomel State University has an economics faculty with specialties closely bordering on the academic plan for manager training. Of the faculty's 43 instructors 4 are doctors of science and 27 are candidates of science. The required material and equipment base exists—a computer center with modern computers. This is not the first year that the faculty for advanced training (FPK) of specialists has been in operation at the university. Every year 50-60 workers from economic components of enterprises receive new knowledge here. We could accept even more, and academic space could be reserved.

Here is another aspect of the problem. We know that over one-third of the work time of directors is spent working with documents. Trained specialists in production affairs and correspondence can free them of this routine matter. At present such specialists are being trained only at the Moscow Historical-Archives Institute, and the entire graduating class does not meet even the needs of Moscow. Gomel University could also train specialists of this kind.

The question arises of how to organize the work of new subdivisions under existing training plans and so forth. We must curtail enrollment into specialties with no future. The country needs managers and consultants.

**Problems with Spanish-Soviet Joint Venture**  
*18250057 Moscow SOTSIALISTICHESKAYA*  
*INDUSTRIYA in Russian 28 Dec 88 p 2*

[Article by Candidate of Economic Sciences N. Bukhalov, deputy director of the Telur joint venture in economics and finance, Perm: "An Order for... A Worsening"]

[Text] Over a hundred joint ventures have been created in the country today. Their still small experience shows that serious problems have already appeared in this new business for us. Some of them can be seen from the example of the Soviet-Spanish Telur venture. Its founders

*were the Perm Telephone Plant and the firms Telefonica Internacional de Espana and Amper. Telur is to produce the first batch of telephone apparatus by the end of this year and bring its production to 650,000 units a year in the very near future.*

It is naturally assumed in the creation of such enterprises that the most progressive design and technological solutions being offered to the foreign partners should be implicit in their products. It is already now clear, however, that many of the solutions being realized at Telur are far from the best world analogues. And the matter is not so much that the Spanish participants are trying not to transfer their own latest technical achievements to us. The chief reason is something else: the Soviet side is oriented toward the maximum utilization of domestic constituent parts, materials and equipment. And what is that leading to? The replacement of some imported parts in the Telur-201 telephone with Soviet ones, for example, is making it non-competitive in the world market in practice.

The substitutions moreover not only worsen the operating features of the product, but also have an effect on the technology and raise the labor-intensiveness of their manufacture. An absurdity results: first we pay for the design, technology and organization of production (accepting it as the contribution of the foreign partner in the charter fund of the enterprise), and then, making changes, bring to naught all the advantages.

What dictates this solution? To all appearances, the best of intentions: in refusing to procure constituent parts, we are able to ensure the foreign-currency profitability of the enterprise in the shortest possible time. Moreover, it would seem that practical steps have been taken: a sector program for the conversion of the Telur-201 to a domestic material and parts base meeting world standards has been created. But the shame is that this program has been constructed according to all the rules of directive management: not only not proceeding from the interests of the executors, but even without regard for those interests or in spite of them. In other words, coercion of the enterprises rather than incentives. Whence the results: half a year has passed, and four of the nine measures have been conclusively disrupted, and another two will at best be fulfilled after a year's delay.

A solution on such shaky ground thus has predetermined the lack of foreign-currency profitability for the joint venture. One could object that after all, the utilization of the full volume of imported constituent parts, materials and equipment would make the recouping of foreign currency more difficult. Yes, that is so. But there is a way out: it is enough to stipulate in the founding documents the obligation of the capitalist firm to procure such a quantity of items manufactured by the joint venture as would completely cover its foreign-currency expenditures. And it must be said that such a condition would be advantageous for our partners as well as us, since the

discussion would concern the market competitiveness of the products. The joint enterprise naturally reserves for itself the right to seek sales markets independently for freely convertible currency.

We have also encountered another problem. However paradoxical it may be, the interests of one of the founders—the Perm Telephone Plant—were not fundamentally analyzed and taken into account in the creation of Telur. What did the appearance of a new independent enterprise literally right alongside signify? The loss of a monopoly position in the production of electronic telephone apparatus, the loss of the leading position in the sector and the region and the appearance of certain complications in the stabilization of the collective. And all of this can hardly be balanced with that portion of the profits of Telur (about 15-20 percent) that will be transferred to the telephone plant at the current stage of development of the economy, when money-exchange relations are still not of a very well-defined nature. And it must also be added that in the face of an acute shortage of production space, the telephone plant was forced to surrender three of the four floors of a newly constructed wing to the joint venture under a lease arrangement and divert its own construction capacity for its modernization.

And where could such a situation lead? To the natural inclination of the executives of the telephone plant to establish rigid administrative-command relations with Telur, reduce its operational independence to a minimum and transform the joint venture into a sort of plant shop. There is probably no need to prove that the realization of these aspirations would essentially signify the demise of the joint enterprise.

And the possibility of directly managing the activity of Telur is implicit in the founding documents, which in practice did not envisage any independence in the direction of the joint venture or in the composition of its guiding organ—the board. All of the members of the board from the Soviet side, with the exception of the general director of Telur, are workers of the scientific-production association for subscriber telephone equipment recently formed on the basis of the Perm Telephone Plant. Its chairman is the general director of this same association.

It seems that it would be expedient to include on the board of joint ventures, especially in the stage of their emergence, representatives of the ministries in which the enterprise functions, as well as employees of the Ministry of Foreign Economic Ties, the Chamber of Commerce and Industry and the USSR Vneshekonombank.

In considering the situation of Telur today, you become convinced of how important it is to set priorities correctly right at the start, in the preparatory phase, and to define the principal elements of the strategy of the joint venture.

**Bush Autobiography Published in Soviet Union**  
*18070530 Moscow SOVETSKAYA ROSSIYA*  
*in Russian 11 Jan 89 p 4*

[Editorial report] 18070530 Moscow SOVETSKAYA ROSSIYA in Russian for 11 January 1989 publishes on page 4 a 4,000-word excerpt from George Bush's autobiography, the chapter dealing with the 1980 presidential campaign. The excerpt is preceded by a short letter from Bush addressed "to friends in the Soviet Union," and by an editorial note which states the entire book is to be published in Russian translation by Progress Publishers. The editorial note also describes the book as "not only the reminiscence of a successful businessman and politician, but also his program for the future."

**Baker Remarks to Senate on U.S.-Soviet Relations Published**

[Editorial report] 18070525 Moscow ZA RUBEZHOM in Russian No 5, 27 January-2 February 1989 publishes on page 7 a 1,000-word excerpt, dealing with U.S.-Soviet relations, from Secretary of State James Baker's statement to the Senate Foreign Relations Committee during his confirmation hearings. The excerpt is accompanied by a note "From the Editors," which criticizes Baker's "lecturing tone" and his "attempts to explain the signing of the INF treaty and other positive shifts by the U.S. policy of strength and by the USSR's internal weakness." The paper states, "one can hardly call such an analysis scientific, or such an approach realistic."

**Georgian Youth Paper Explains U.S. Election Campaign**

*18130025 Tbilisi AKHALGAZRDA KOMUNISTI*  
*in Georgian 1 Nov 88 p 4*

[Article by Giga Burduli, international affairs columnist: "Bush or Dukakis, Or, From Dream to Reality"]

[Text] The "American Dream"—for whom does it become a reality? It's not a big choice: the Republican Party candidate, Vice President George Bush, and the Democrats' hope, Massachusetts Governor Michael Dukakis. One of them will be elected the 41st President of the United States on 8 November. Until then....

In present-day American political reality, statistics and numerical data are accorded great significance (let me warn the reader beforehand that he will encounter plenty of figures in this column as well; circumstances compel us to). No less important are the symbols which rather heavily burden the history of the struggle for the President's chair. For a long time, the primary elections ("praimariz") in the small conservative New England state of New Hampshire have served as a kind of beacon for political observers. There has never been a time since 1952 that a candidate who lost in New Hampshire became President. In that regard, George Bush and Michael Dukakis are on an equal footing: On 16 February of this year both of them defeated their rivals in the

New Hampshire primaries. And another historical fact: As we know, one out of every five vice presidents eventually occupies the presidency (we have not used the expression "eventually" here by chance, because such a procedure can be conditioned essentially by two factors, although in every case it takes place by constitutional means. First, the President may die and his place is automatically taken by the Vice President. Second, the President's terms of office may run out and the Vice President may be elected to become the head of the administration). In this regard, George Bush's advantage (symbolic, to be sure) is obvious, although the same factor, as we will see below, can also be used against him.

Voters determine their feelings toward a particular presidential candidate on the basis of many factors; even the candidate's manner of dress or speech may play a role. But when citizens make their final choice, they pay most attention to how the one they have elected will govern the country and, accordingly, whether their own situation will get worse or better. Therefore, let us set symbols aside for the time being and focus on actual policies. The American press has highlighted one significant observation, to the effect that in our times the victorious candidates in the presidential elections are the ones on whose side the country's economy is (in 1976, for example, Jimmy Carter beat Gerald Ford; in 1980 he himself was defeated by Ronald Reagan). Of considerable interest is the assessment made by George Gallup, one of the founders of public opinion surveys: "There is only one immutable truth. If peace and prosperity prevail, the administration which is in power cannot lose." We can, of course, place the "prosperity" thesis in doubt, but certain economic statistics undoubtedly speak in the Republicans' favor. The years of Ronald Reagan's presidency have witnessed the creation of hundreds of thousands of new businesses and 14 million jobs. The rate of inflation has declined. One foremost expert on the influence of the economy on elections, Yale University Professor Ray Fair [?], worked out a formula for forecasting elections 12 years ago. When he feeds today's economic statistics into the formula, the result shows that the Democrats will get 48 percent of the votes and lose. Fair cautions, however, that there can be a three percent margin of error and, in his own words, "the elections can easily go the other way." But we must also bear in mind that Fair has guessed right in 15 out of the last 18 election campaigns (not exclusively presidential elections). The method of another specialist, American University staffer Alan Lichtman, is based on an analysis of answers to 15 questions. These questions have to do with the general state of the economy, the ruling party's efforts in that sphere, and the personal qualities of the President. According to Lichtman, if six or more answers yield a result that is unfavorable to the party in power, it is doomed to defeat. In the present case, 9 answers speak in favor of the Republicans. It would be wrong, of course, to underestimate the opinions of competent specialists, but it is also clear that Big Business will also have its say. A survey by the CNN Television Network



and FORTUNE, the journal of American business circles, showed in late October that George Bush was favored by 86 percent of the executives of large corporations, while Michael Dukakis was supported by only 7 percent.

Back in August, prior to the Republican Party's national convention, which took place in New Orleans, Dukakis was 17 points ahead of his rival. But when the Republican convention was over, the momentum gradually swung to Bush. The shift in the balance of forces did not take place all at once. Bush and his "team" resorted to an active "negative" campaign, which could hardly fail to yield results. The only surprising thing was that Dukakis met the opposing camp's attacks in a rather passive manner. In one of our earlier columns ("Politics and 'Image'"), we discussed the methods of pre-election campaigns, in particular television advertising in which people attempt to exalt one particular candidate and heap praise on his personal or political qualities. After the Republican convention, however, we saw a completely different and relatively rare phenomenon—"anti-advertising." According to American observers, at any rate, no presidential campaign in the last 20 years has involved so many "dirty" accusations and personal attacks, so much "negative" television advertising. As a result, the focus has shifted away from extolling one candidate's personal qualities to exaggerating his rival's shortcomings and mistakes (although it is significant that Dukakis assigned 10 staffers to the job, while Bush assigned 20). Let us cite a number of revealing examples.

A few years ago, a man named William Horton, who was convicted of murder, was let out of one of the Massachusetts state prisons for the holidays, and he committed a new crime. It should be said that similar procedures are practiced in a number of states, and a similar case occurred in California during the time Reagan was governor. Nevertheless, Bush's aides utilized this fact to illustrate that Dukakis does not pay enough attention to the fight against crime, which is a serious charge in the eyes of American voters. The Republicans made into a symbol of Dukakis's lack of patriotism the fact that in 1977 the Governor vetoed a bill which would have imposed a fine on schoolteachers who refused to recite the Pledge of Allegiance to the American flag along with their students. Finally, in a speech before the American Legion, Bush referred to a nationwide communications system designed to be operational even in the event of a military conflict. According to the Vice President, 52 of the planned 56 stations were already built, and "only one governor refused to allocate a site for it in his state. That was the Governor of Massachusetts." Naturally, Dukakis did not stand idly by. Historically, as we mentioned above, one out of every five vice presidents has become president. Dukakis's propaganda apparatus attempted to play upon this very theme. It should be pointed out that the Republicans' vice presidential candidate, Senator Dan Quayle, does not enjoy great popularity among the voters. For this reason, they are frequently reminded of the fact that Quayle could become

President, because he is "just a heartbeat away from the President's chair." In one "negative" television commercial, photographs of Harry Truman, Lyndon Johnson, and Gerald Ford (vice presidents who later became president) were shown accompanied by the prominent sound of a heartbeat, and the voice of the announcer was heard saying, "George Bush has named Dan Quayle as his vice presidential candidate. All we can hope is that America will never find out what a serious mistake that was."

Events since then have made it clear that Bush's "negative" propaganda has been the more effective; Dukakis's own "image" is in serious trouble. It appears that a significant role has been played by the fact that in his public speeches, in particular on television, Dukakis has often been too serious and unsmiling. The conservative columnist George Will noted biting that it has been a long time since anyone was nominated for the presidency who had such a shortage of good jokes in his speeches. William Schneider, a respected specialist in the American Enterprise Institute, went even further: According to him, sometimes Dukakis reminds one of the "little man in the black suit who stands at the entrance to a funeral parlor and says, 'The deceased is in the second room to your right.'" It is significant that such ungentlemanly relations and "negative" advertising do have their defenders, in particular the journal NEWSWEEK: "Negativism is not all bad. When examining important problems such as the military or education, for example, it often gives a much clearer impression of the candidates than mere positive chatter." No doubt there is a grain of reason in this assertion, because the candidates' negative attitudes toward one another in many cases provide a better revelation of real rather than concocted weaknesses both in personal attributes and in political platforms. It is another matter that "anti-advertising" plays a significant role in just those cases where the positive is weak and is not up to standard, where there is a keen sense of the lack of new ideas.

Military-political issues are the item on the election campaign agenda which to a large extent determines the final results in the battle for the White House. Political commentators have often remarked that Dukakis lacks the necessary experience on these issues. The journal U.S. NEWS AND WORLD REPORT used the following picturesque expression in its assessment of the weakness of the Democratic candidate's position: "Dukakis doesn't have to be very wise to know where his Achilles heel is." Dukakis and his apparatus have worked hard to get rid of that shortcoming, but it appears that they have not managed to free themselves of it completely. The weakness of the governor's position is not so striking any more, and his views on some issues coincide with the Vice President's. In particular, both of them are in favor of developing a new generation of missiles for the Trident class of submarines, also of continuing the super-secret Stealth Strategic Bomber program. There are, however, serious differences as well. The Vice President favors the deployment of at least 50 MX missiles,

while the Governor is against this plan of the Pentagon's. Bush calls for the creation of smaller-sized Midgetman Intercontinental Ballistic Missiles, while Dukakis is critical of the value of that program. But it is more than a matter of the similarities and differences in their positions. Bush, who has eight years of experience in national government, is much more consistent in his military-political assessments, a quality which is not always characteristic of Dukakis. This is attested by the candidates' attitudes toward the "Star Wars" program. Bush has announced unequivocally that "the Strategic Defense Initiative is not a naive or unrealizable program; nor, of course, is it a "fantasy" as my opponent has called it. Quite the contrary... I have seen the results of American inventiveness and scientific genius." (One more proof of his patriotism?!) Apparently, from what Bush says, Dukakis has called the program "a fantasy." At the same time, he has stated that he will continue the research and spend one sixth of the current annual budget (six billion dollars). At one of his recent press conferences, however, he added that if this weapon is realistic and necessary, he will look at the question of its deployment. Dukakis's position needs to be made more precise on an other issue as well. He has said more than once that the situation in Eastern Europe is a regional conflict which is equivalent to the problems of the Near East, Central America, and Southern Africa. Dukakis's aides have pointed out that this approach differs from the Republicans' position, but neither the Governor

himself nor his aides have indicated what results this idea will have for American policies. Naturally, this point in Dukakis's program gives rise to many questions and has an air of vagueness about it. In Bush's program, on the other hand, almost everything is in its place, although with the proviso that his thesis of "Peace Through Strength" is unacceptable to many, and does not satisfy the requirements of the new political thinking.

We could talk for a long time about the merits and shortcomings of George Bush and Michael Dukakis and juggle the results of innumerable polls and other data. Our review here could probably not accommodate even a tenth of the opinions and evaluations, although we have attempted to sketch at least the outlines of the final picture of the elections. Two weeks before the elections, a poll conducted by the WASHINGTON POST and the CBS Television Network showed that Bush was ahead by 10 points. Dukakis does not appear to be discouraged: "On 8 November I will prove that the polls are wrong." And he cited the example of President Harry Truman, who was obviously behind his rival in 1948 but won anyway. Historical precedents, of course, must be taken account of, especially when they repeat themselves. Dukakis's confidence faces a serious test on 8 November. Meanwhile, the scale is tilting toward Bush.

Nevertheless: Bush or Dukakis?

**Olivetti Seeks Business in Georgia**  
*18130028 Tbilisi AKHALGAZRDA KOMUNISTI*  
*in Georgian 5 Nov 88 p 4*

[Article by Gogi Tumalishvili under rubric "Contacts: Introducing Our Potential Partner": "Olivetti Announces"]

[Text] Among numerous measures designed to revive the economy, a major role is assigned to cooperation with Western firms and companies. We already have numerous examples of such cooperation in light industry, machine building, and other spheres.

In this context, special importance attaches to the establishment of contacts in the field of computerization and automation, because in this sphere our country has lagged substantially behind the developed countries of the West for a number of years. But it is superfluous, I think, to talk about what role should be assigned to computerization in the very near future. Fortunately, it appears that contacts of this sort are being established with our republic as well.

On Saturday 29 October, the Italian firm Olivetti gave a presentation of its products for members of the press in the Mimino Advertising Agency on Leselidze Street, Tbilisi. Olivetti representatives Francesco Tarallo and Federico Indro told those in attendance about the firm.

Well, then, here is Olivetti's business card:

Olivetti is one of the biggest firms in the field of information technology. It does business in the most promising spheres of information science and automation, producing a rather broad array of products—from minicomputers to open-system architecture. The size of the firm is attested by the following figures: The Olivetti Company employs 58,000 persons, has 10 research laboratories in seven countries and about 40 branches all over the world. At the end of 1987, the Olivetti Company was made up of 230 firms it controls. Olivetti cooperates with such well-known concerns as Triumph-Adler (FRG), Acorn (Great Britain), Bunker-Ramo and Unix (United States).

Olivetti went into the production of personal computers in the early 1980s and is now the leader in that field in Italy and in second place in Europe. Last year Olivetti produced goods worth 7.325 trillion lira. Its net profit was 402 billion lira, and the company's total assets are worth 3.281 trillion lira.

After the presentation of the company's activities, a brief press conference was held.

"We already have a deal with Gruzagroprom," said Francesco Tarallo. "The firm is interested in buying such Georgian products as apple juice, honey, and various chemical products."

Then one of our colleagues wanted to know how easy it was for a private individual to acquire an Olivetti personal computer—more precisely, what is the nominal price of one? It seems that because the Soviet monetary unit does not yet constitute convertible currency, such a computer can be purchased only with dollars or lira. An M-15 computer, which is so useful in the journalist's trade (with its keyboard and video monitor), costs 1500 dollars.

I cannot say when we will have dollars, but the manufacturers of this computer are promising us now that in the near future the M-15 will be provided with a Georgian alphabet.

I should like to inform you, in conclusion, that anyone desiring to do business with Olivetti can contact the Mimino Advertising Agency, which is the Italian firm's representative in Georgia.

**New Highway Links Turkey With Georgian SSR**  
*18300091 Tbilisi ZARYA VOSTOKA in Russian*  
*1 Sep 88 pp 1, 3*

[Unattributed report: "Over the Border—Through Sarpi"]

[Text] The small border village of Sarpi, which is located a few kilometers from Batumi, henceforth will become a symbol of the further improvement of neighborly relations and of the strengthening of cooperation between the Soviet Union and the Turkish Republic. The ceremonial opening of an international highway between the USSR and Turkey took place here today. Even the weather, as if it sensed the importance of this moment, changed from dreadful to merciful: after a subtropical downpour, which continued for three days without stopping, the sun came out.

It was 14:00 local time (meanwhile it was 12:00 noon in Turkey). Participants in the meeting gathered on both sides of the highway bridge, which was built by Soviet and Turkish construction workers. Among them were representatives of the Soviet delegation, which was headed by the Chairman of the Georgian SSR Council of Ministers, O.Ye. Cherkeziya, and senior officials from many ministries and departments in Turkey, who arrived in Batumi on a chartered aircraft from Ankara. The Turkish delegation was headed by the country's Minister of Transportation and Communications, Eh. Pakdemirli.

Residents from Sarpi and a delegation from the districts of Eastern Anatoliya also came to the meeting.

The national anthems of the USSR, the Republic of Turkey, and the Georgian SSR were played. The leaders of the Soviet and Turkish delegations cut the ribbons, which symbolized the national borders of both countries.

O.Ye. Cherkeziya, Eh. Pakdemirli, and the RSFSR Deputy Minister of Automobile Transportation, B.I. Andreev, delivered speeches at the meeting and talked about the great significance of the highway, which has the purpose of connecting the two countries. They noted that the very process of building it has become a symbol of two nations combining their efforts for the purpose of strengthening neighborly relations.

The orators expressed the common opinion that the road through Sarpi should lead to an active and widespread cooperation between the Soviet Union and Turkey in economic, cultural, and many other spheres. The opening of the through highway will help take advantage of the geographical proximity of the two nations. It will undoubtedly promote a more lively tourism and will energize commercial activity in the entire Eastern Black Sea region, the "Black Sea dead end" will be opened once and for all. Soviet and Turkish firms will obtain a good opportunity to establish direct contacts. With the opening of the highway, this cooperation will significantly facilitate the delivery of goods and reduce its cost for both parties. Broad opportunities for establishing an intensive border and coastal trade will be opened.

A way out of the hitherto unused potential opportunities for developing mutually beneficial relations between the USSR and Turkey will be obtained. This includes the development of mutually beneficial relations between the Georgian SSR, the Artvin vilayet, and other border districts in Turkey whose territory the new highway passes through. Broad prospects of cooperation have been opened in the production and processing of tea and citrus crops, in the sphere of energetics, geology, construction, health care, exchanges of the achievements of science and technology, culture and sport, and in the sphere of ecology and protecting the environment of the Black Sea basin and the rational use of natural resources.

Refik Kakabadze, a 73 year-old collective farmer, was among the participants in the meeting.

"I haven't seen my sister for 40 years", he told us, "she lives on the other side of the border. But in order to see her, I had to travel through half of Europe. That is a long

way and costs a pretty penny. But there she is on the other side of the bridge. And today I will embrace her for sure."

And we actually witnessed many such moving welcomes with tears of joy in our eyes.

The Consul General of the Turkish Republic in Batumi, Samim Shakhin, in an interview with a correspondent from the Georgia Information Agency, expressed a deep feeling of satisfaction on the occasion of the opening of the highway. We visited with him on the eve of the opening.

"The opening of automobile movement between our countries and the border crossing point in Sarpi", he stated, "is an important step in the business of the further expansion of Turkish-Soviet relations and the strengthening of the mutual understanding and friendly ties between our peoples. It is difficult to overestimate all the benefits which both sides will obtain by taking advantage of geographical proximity."

Here is the assessment which the mayors of the Turkish cities near the Black Sea gave to the opening of the highway through Sarpi in an interview with the newspaper "Jumkhuriet":

The mayor of Rize, Byulent Koch: "The opening of this border crossing point will present an opportunity to develop tourism and the economy in our region".

The mayor of Sinop, Aydin Atakan: "It is difficult to overestimate the benefits which the opening of the border crossing point in Sarpi will bring to the development of our region".

The mayor of Giresun, Byulent Larchin: "In my opinion, the sole saving grace for our Black Sea region is the opening of the border crossing point in Sarpi".

The meeting was adjourned. The Turkish delegation invited the Soviet guests to take a get-acquainted trip to the Turkish port of Khopa. After a few hours, everyone would return to Batumi to see the sights and meet with representatives of the community.

The road is open! The first automobiles are traveling along the new road, which leads to trust and friendship and to peace and cooperation.

**Bulgarian View of 19th CPSU Conference,  
Monument to Stalin's Victims**  
*18070016 Moscow SOVETSKAYA KULTURA  
in Russian 6 Oct 88 p 7*

[Article by Stefan Prodev, Bulgarian columnist: "A Million Eternal Flames"]

[Text] Sofia—Everyone perceived the 19th All-Union CPSU Conference in his own way. As far as we Bulgarians are concerned, its democratic spirit won everyone over—you can hardly find anyone today who would doubt the correctness of its decisions. Even its overt enemies are striving in fact to demonstrate their solidarity with restructuring, seeing here a means for self-preservation. In spite of their dogmatism, they recognize that the roof is collapsing over their heads, and no bureaucratic muscle power will help keep it in place. No one—not even the most primitive, politically color-blind individual—dares today to call white black. But it must be admitted that there are still people who prefer the neutral color gray, that indeterminate shade you get when you mix truth with falsehood. However, even they are beginning to realize that there is no future in the mousy-gray semitones.

In this sense the 19th All-Union Party Conference put everything in its place, allowing our consciences to solve great problems in the world of the new thinking. Prior to it conjecture and supposition flourished—but now any doubt as to the sincerity of restructuring sounds simply indecent. The 19th CPSU Conference was something significantly greater than the usual party forum. Its decisions became a watershed disengaging two epochs. They were not measures for temporary improvement of the social environment but paths leading to a rebirth of socialism. He who does not understand this deep truth has doomed himself to a political death—he remains in the past, in the world of antiquated illusion...

The subjects treated by this party forum have their historical significance and I will not take it upon myself to define their degree of importance. But one of these shocked me deeply and I feel a need to expound on it. This is the intention to erect a monument to those innocent people who were denounced and condemned during the years of repression, to the victims of the Stalin era. By virtue of its moral force, this decision ranks significantly above all the others. It opens up in front of us the abyss of that bygone—luckily—era, and brings to life millions of eternal flames. The reborn revolution proves by this decision that tyrants and those like them have no human or historical chance. Sooner or later the public conscience will bring them to trial. The people's memory—although they have tried to wipe it out and extinguish it—is alive. It preserves in its consciousness the names of those innocent people who were killed, cursed and betrayed, of all those whose fate was marked with a senseless cruelty elevated in social conduct to the level of principle and morality.

Erection of a monument to victims who perished in the terror of those years of cult and dogmatism will not simply be the rehabilitation of millions of victims, but will be a final sentencing to the era of cult which destroyed them. It will be the disturbing repentance of a society which not only knew the truth of what happened, but recognized it. Self-criticism in front of the personage of one's people and the entire world bears witness to the inexhaustible morality of true socialism. There is no other such monument on the planet. And this is not because there were not innocent victims in other countries deserving to be mourned. In this sense the monument which will be built in Moscow is a unique thing of conscience. In building it, in recognizing her guilt, the Motherland is not only rising above her sin, but she is lifting up her ruined children, separating them from the brutal memory of the past in an effort to put an end to the nightmare of that time which took away her most precious possession. This is why the decision to build the monument is not simply expiation—it is not a requiem. It is a cleansing of the social consciousness in the very highest sense of this word, a cleansing without which society's further development would be impossible.

No one knows at this time what the planned monument will look like. But it is already clear that in power and significance it will be a true Pantheon. Under the stone in brotherly embrace millions of people lie together whose bitter destiny was sacrifice to the revolution. In this sense the monument to those innocents who underwent repression will become not an ordinary grave or a place of suffering, but rather a landmark of social conscience, a warning beacon. It is a testimony to the new thinking which will always be there to prove that socialism is the only revolutionary force capable of such a cleansing. And this alone is sufficient to approve the decisions of the 19th All-Union CPSU Conference and express full support for it. The monument to those innocent people puts an end to all doubts, disputes and confused assertions about the role of tyrants in the history of socialist development. Now our life should become more peaceful. Retribution for the Stalinist era has become a fact.

The decision to build a new monument acquires still greater significance when we take into account the fact that thousands of revolutionaries from the most diverse countries in the world also became victims of the terror of this cult. At the end of the 30's representatives of the International and a number of fraternal parties were living not only in rooms of the "Central" Hotel but in the huts of Kolyma as well. This is why their shadows will be found among those which hover over the mournful stone—the shadows of our brothers. It is distressing to admit it, but this too provides confirmation of the international character of revolution.

For us Bulgarians, this fact acquires a tremendous rehabilitative power, for in this fraternal grave are the remains of our fellow countrymen too. Up until now we have been silent about hundreds of them and continue to

be silent. Awkwardness has frozen our tongue. Now conscience permits us to begin to speak in full voice, to revive the truth concerning the past of our party and our country. Therefore, the monument which will rise under the Moscow sky will also be our monument. A Bulgarian flower that bloomed in the Balkan valleys will lie down with full rights at its foot.

I have dedicated hundreds of pages to the October Revolution and the Soviet people—hundreds of pages drunk with love and faith. But, believe me, this is the first time that I am writing with such deep internal conviction. The future monument to the innocent victims merits this. It lives in my heart in all its tragic purity, in its political nobility. Let these lines become the first bow before the future memorial obelisk.

The 19th All-Union CPSU Conference will leave an indelible mark for all time. This is not a traditional journalist's compliment, but an evaluation achieved through heavy emotional pain. From the platform of this conference was proclaimed the way for reaching true socialism in the Leninist understanding, a way devoid of illusions and dogmatic self-deception. This alone is enough for us to believe it and become followers of its decisions. These are courageous decisions. They merit our efforts. The monument to the innocent victims is one of the outstanding manifestations of this courage.

#### **Latvian Trade with Hungary, Czechoslovakia Discussed**

18250028 Riga SOVETSKAYA LATVIYA in Russian  
18 Oct 88 p 1

[Interview with M. Sesks, first deputy chairman of the "Liyepaya" Agricultural Industry Association, by L. Pavlova: "Agricultural Industry Needs an Attache"; interview conducted in Liyepayskiy Rayon, date not specified; first paragraph is SOVETSKAYA LATVIYA introduction]

[Text] Liyepayskiy Rayon—A delegation of the Liyepaya Agricultural Industry Association recently returned from a trip abroad. The aims and results of this trip comprise the subject of our conversation here with M. Sesks, first deputy chairman of the association. [Sesks] I worked on a milk combine in the old days, and we got the opportunity to test out some equipment from a Hungarian firm. We were to determine whether or not it would be suitable for our conditions. The tests were successful and our ties with the Hungarians were broken off—forever, I thought. But times change, and we have begun cooperating with the same firm under new circumstances. [Pavlova] It would be interesting to know who sought whom—did they come to us or we to them? [Sesks] They were the first to write, but we quickly responded. The interest is mutual and prospects great. Of course, without perestroika... [Pavlova] Well, how do you intend to do the accounting? If the ruble were a freely convertible currency there wouldn't be any problem... [Sesks] We are going to have to look for accounting methods, which will

not be easy under present conditions. This is our only stumbling block at the moment and we are trying to remove it. Essentially there is just one possibility—barter dealing. Exchange in trade. [Pavlova] And what can we offer them? [Sesks] Both the Hungarians and the Czechs, with whom we also have begun such relations, are interested in foodstuffs, including jams and juices, etc. The firms need wood for their packing material. Our partners have also found certain kinds of ceramics to their taste. [Pavlova] Not very common. [Sesks] But we are lacking, and when you look for something you find it. And representatives of the firms are not losing sight of their own interests. They come to us to get acquainted and study the situation. We will open joint enterprises—some of the output will be sent abroad as payment for equipment and technology. [Pavlova] Are there as yet any projects close to implementation? [Sesks] Perhaps. We are undertaking a joint enterprise with the Czechs for producing tanks used in processing milk. These tanks are in critically short supply—you wouldn't believe how much milk perishes because we don't have enough of them. And the tanks we buy from abroad ride to us on platform cars occupying a volume inconsistent with their weight. We are transporting "air." Prior to effecting conclusive negotiations, of course, we had to determine whether or not we could obtain the materials—mainly stainless steel. We went to Moscow and were able to convince the leadership of Gosplan and Gosagroprom. We have a shop in Grobin for manufacturing grain storehouses. Demand for these is decreasing, and so we are re-outfitting the shop to produce tanks. We are sending specialists to Czechoslovakia for training. They will send production engineers here to train on location. The Czechs will be sending equipment to our specialists will begin assembling inside the tanks. The finished products will be accepted jointly. The quality of work must be very high. Furthermore, we believe our tank-manufacturing enterprise will start "making" hard currency, perhaps even allowing payment of a portion of workers' earnings to be made in this manner. [Pavlova] Even if production output is intended for the village, the production is for you still a secondary trade, isn't it? And if we take milk or meat production directly, are there any interesting plans here? [Sesks] You are not absolutely correct. There will be money, and there will be meat, and milk, and vegetables. But if you'd like we can talk directly about agricultural production—dried milk, for example. This kind of milk is not for people—people should drink whole milk. But feeding calves is another matter. Experts have calculated that if we process the milk, we will be able to preserve an amount of milk products given by a thousand cows in our rayon alone. And these thousand need farms, feed and labor. In short, if we reconstruct a milk plant with the Czechs in Ayzput, then it will be for producing dried milk which they will carry in a sack to the farm and dissolve in water. But that's not all. We have found a firm that specializes in thermal processing. Where do broken eggs go these days? They are fed to the chickens because we have been unable to disinfect the contents of the egg. The Czechs mix up a blend from their broken eggs which they use to

make a dry product for feeding calves—after adding dry milk, vitamins and antibiotics. They call it bio-meal. In wintertime we will free up drying rooms at the milk plants and use Czech technology to yield a product from broken eggs. Or here is another example—the processing of bird droppings which presently just clog up the soil. Processed, this becomes fertilizer. You make a tidy little briquette and place it, let's say, under an apple tree, and the tree picks up nutrients for the next three years. What do you think—should we put the idea into effect? We saw a great deal more that was of interest and made note of it—like dried medicinal herbs, or a continuous-action pressing machine for production of apple juice, or small meat smokehouses which any kolkhoz can build for itself. [Pavlova] I know that you also went to Hungary. What did you bring back from there? [Sesks] A butter and cheese plant will be outfitted in Priyekul. Some of the newest Hungarian cheese presses are currently undergoing testing. If they turn out to be worth it, we will buy them. We don't need yesterday's equipment—we're looking to the future. The new presses provide excellent quality while completely eliminating manual labor. We are very interested in non-waste-product technology. Whey, for example, while clogging up discharge outlets, can comprise the raw material for a tasty drink. [Pavlova] And where do you get information? [Sesks] That is a very difficult question. Essentially, there are no sources of information at present. We are feeling around for it. What we do find we try not to let go. [Pavlova] And is there some risk involved? [Sesks] Well, how can you engage in commercial ventures without risk? But we must be as smart as we can. The people at the firm, as I have already mentioned, know how to count. But the brands are safeguarding their honor too, delivering a product with a face. Let me tell you a little story. They invented a unit in Hungary which uses biomethods to activate grain for cultivation. Exactly how they do it is a secret. But it would be a pity to let such an opportunity slip away. We have invited the inventors here along with their unit. They will arrive in August and stimulate a quantity of seed. When we harvest the crop we will decide whether or not to purchase the unit. [Pavlova] Are your contacts just business contacts? [Sesks] Why? We will be building joint relaxation centers with our new friends. We will be exchanging amateur production activities, engaging in sports and cultural events. Is that bad? [Pavlova] Great. Well, has your work become more difficult or easier? [Sesks] More interesting. Life has become more interesting and I wish I were younger so I'd have more time left before retirement. By the way, we are presently looking for an employee who would be involved in arranging international economic ties. A kind of agricultural industry attache. If we said that about five years ago no one would have believed it. I'd have been the first to start laughing. But—we've lived to see the day. We're getting to work.

**Czechoslovak Ambassador Interviewed**

18070094 Moscow PRAVDA in Russian 30 Dec 88 p 5

[Pravda interview with the Czechoslovak Ambassador to the USSR, Jindrich Rehorek: "12/14 Fuchika Street"]

[Text] At the request of our readers we are continuing to publish conversations with the ambassadors of socialist countries.

Fuchika 12/14. This is the Moscow address of the Czechoslovak embassy. The ambassador's office is on the third floor of the massive building. Its occupant is the Ambassador Extraordinary and Plenipotentiary of the CSR to the Soviet Union, Jindrich Rehorek..

We introduce ourselves. The ambassador asks us to sit down. Josef Lapka, an advisor who works with press matters, is present during our talk.

We turn on our dictaphones.

[Question] Are you a professional diplomat?

[Rehorek] No. With regard to my diplomatic work, this is my second diplomatic post.—Before Moscow I was the ambassador to Poland.

[Question] Introduce yourself to our readers, please.

[Rehorek] I joined the Party in 1945, when I was 18, and since then I have worked continuously in various party posts. I began my labor activity as a worker in a brick plant, then I was graduated from the regional political school and was sent into party work, and held a position with the regional party committee. Later there was more study, this time in the Higher Party School of the CC, CPC. I was the First Secretary of the Party District Committee, Chairman of the Regional People's Control Committee in the Eastern Czech region, Secretary of the CPC Regional Committee, and for eight years, Chairman of the Regional National Committee of People's Deputies. And subsequently, diplomatic work, both in the post of First Deputy Minister of Foreign Affairs and abroad.

[Question] What do you see as the most important part of your work today?

[Rehorek] The main thing is to take advantage of the present broad opportunities to further develop Czechoslovak-Soviet relations and to deepen and enhance their effectiveness, something in which my country is vitally interested. This is how I see my mission as Czechoslovak ambassador to the USSR. Of course, I am not alone here. A vast collective of employees of the Czechoslovak embassy, workers of the trade representative, COMECON representatives and other specialists in various Soviet and international organizations is working in Moscow.

We all are laboring conscientiously to accomplish fully our assigned tasks, be they in the political or economic field or in the superstructure, in order to be, figuratively speaking, a sort of Czechoslovak landing force in your country, tirelessly promoting the development of bilateral relations, and with an inexhaustible store of ideas and suggestions as to how to improve those relations. There is practically no area of life in which we have not had contacts or implemented interaction.

[Question] How do you assess the present level of Czechoslovak-Soviet relations and cooperation?

[Rehorek] Despite the fact that today we are criticizing certain stages of stagnation in our countries, the fact remains that over the whole postwar period, Czechoslovak-Soviet relations have developed in all areas to the benefit of both sides.

But as realists we must acknowledge that this process is not easy, that we have not succeeded in doing everything as we would wish, or as we should. At present it is not enough for our producers, economists, designers, and builders to be content with expressions of sympathy for Soviet or Czechoslovak perestroika; rather we must rationally and consistently be guided by the criterion of cooperation's true economic benefit.

Many suggestions have been made concerning how we should act. The specific impetus for further development of bilateral relations was provided by the negotiations of comrades Jakes and Gorbachev, Adamec and Ryzhkov, and other representatives of our countries. At these negotiations the need was stressed for expansion of direct production ties, creation of joint enterprises, activation of tourism, efficient development of adopted-brother ties, expansion of cultural exchange, and so forth.

And one other thing I want to say. After forty years of joint recognition and mutual cooperation, we are now coming to the conclusion that overall we still do not know one another well enough, that we know each other only slightly.

[Question] On the one hand, slightly, but on the other hand we know one another well. We have already begun to pardon one another. For instance, we send you poor ore and you send us poor shoes.

[Rehorek] I think this will end soon. The times require something else: quality, discipline, reliability, the ability to assume responsibility.

Economic cooperation is the pivotal direction of our mutual relations. Here are a few figures characterizing it. In 1935, when the first trade agreement was signed between our countries, the share of the Soviet Union in Czechoslovak foreign trade was roughly 2 percent; in 1948, it reached a sum of 209 million rubles (16.2 percent), and in the seventh five-year plan amounted to 55 billion rubles (approximately 25 percent).

There are good examples of the establishment of direct ties. For the time being we are speaking of first steps; however they are meant to lay the foundation for close cooperative interactions and joint enterprises. In this regard, I would like to commend the cooperation between the Vitkovgitsky Metallurgical Combine and Azovstal, Skoda in the city of Plsen and Uralmash, between the Robot association in the city of Presov and

its partner organizations in the USSR, between the agricultural combine Slusovice and the Gotvald region of Kharkov Oblast, between the enterprises of Gosagroprom and the unified agricultural cooperative of Prac, between the state farm in the city of Cheb, and the unified agricultural cooperative Ostrov and others, and the joint Czechoslovak-Soviet laboratory for the use of biotechnology in animal husbandry in the city of Nitra. They are pioneers in the development of new forms and methods of joint cooperation.

Two years ago an intergovernmental agreement was signed on the basic principles of development and activity of joint enterprises, international associations, and organizations. On the basis of this agreement, more than 350 contracts on direct ties have been concluded. In assessing the level of these ties, we should note that we lack experience in practical work, that it is necessary to overcome various types of barriers standing in the way of effective development of cooperation.

[Question] Scientific-technical interaction of our countries is of great importance.

[Rehorek] Unquestionably. You see, good products that reliably serve the buyer are a powerful factor of friendship. Only through a highly efficient concentration of "brain power" and material potential in strategic areas of social development may we keep from lagging behind the most developed states of the world in the future. Lagging behind is very expensive, but after all, our countries have all the potential needed to keep from lagging behind.

Thus for instance, collectives of scientists, which include the best scientific strengths of both sides, are presently working on 200 subjects. Cooperation in the area of biotechnology, computer technology, and information science is being implemented quite actively. Along with the direct ties, the institute of the Czechoslovak academy of Sciences and the Slovak Academy of Sciences are working to carry out 213 specific tasks of the Complex Program of Scientific-Technical Progress of the COMECON member states before the year 2000.

Broad ties are also maintained in the area of education. If memory serves, there are roughly 1,500 students from Czechoslovakia studying in Soviet institutes of higher learning in the day-time departments. In addition, we now send 650 students to the USSR for one semester when they are in their third year at Czechoslovak teaching institutions. Of course, a large number of graduate students, and students in on-the-job training etc. are studying at the universities and institutes of Moscow, Leningrad, Kiev, and other cities. I don't deny it: in the future we intend to increase the number of our students in Soviet institutes of higher learning, especially in areas such as electronics, biotechnology, and nuclear power engineering.



[Question] It is clear from your talk that our peoples are linked together by thousands of threads. But surely not only in economics and education...

[Rehorek] I can say without exaggeration that Czechoslovak-Soviet ties cover the broadest popular masses. For example, take the sphere of culture and art. Every year we exchange hundreds of delegations. There are meetings between writers, musicians, journalists, and various artistic collectives. I'm happy to note that when the Prague Days were held recently in the Soviet capital, despite certain problems Moscow literally breathed Czechoslovakian. But clearly there is no need to wait a year or two for such celebrations, but rather we should continuously, on a daily basis, acquaint our Soviet friends both with our cultural heritage and with current attainments of Czechoslovak culture. This is an important task not only for our cultural information center, recently opened in Moscow, but also for all employees of the CSSR embassy. Naturally all this also applies to the dissemination of the culture of USSR peoples in our country.

I would like to talk some more about one important aspect of our contacts. These are adoptive-brother ties. We have tens, hundreds of villages, regions, cities that maintain amicable relations with Soviet adopted brothers. There are plants and agricultural cooperatives, theaters and scientific institutions, families and athletes that have become friends... Our Prague has for many years maintained strong ties with Moscow. Recently Leningrad has become another city related to the Czechoslovak capital. Bratislava, the capital of Slovakia, has for many years cooperated with Kiev. We noted with satisfaction the expansion of adopted-brother ties between the Czech Socialist Republic and the Russian Federation, and between the Slovakian Socialist Republic and the Ukrainian SSR.

[Question] And the embassy is involved in this?

[Rehorek] Indeed. We strive in every way to further the development of adopted-brother ties. This is a very important task, especially for study and knowledge of one another's experience. The Alliance of Czechoslovak-Soviet Friendship and the Society of Soviet-Czechoslovak Friendship play a great role in strengthening adopted-brother relations. I would say that they are the ever-beating heart of our solidarity, unity, and fraternity.

[Question] And how is cooperation between the CPSU and CPC?

[Rehorek] To tell the truth, I did not want to speak about that separately. The cooperation of our parties is the backbone of multifaceted Czechoslovak-Soviet relations. It infuses all areas and regions of interaction, both the material sphere and superstructure.

Speaking of the key role of party ties in mutual relations, I would like again to call attention to the fact that the decisive impetus for their further development was given by the meetings of the General Secretaries of the Central Committees of the CPC and CPSU, and other representatives of the political sphere. We adhere to a single opinion concerning the need to accelerate socioeconomic development of society, democratization of public life, and greater glasnost, as the guarantee of development of the processes of democratization.

[Question] The mail to PRAVDA includes many letters from readers who ask about the contemporary situation in Czechoslovakia, how perestroika is going there, and what the problems are.

[Rehorek] Thanks to its industrial potential, as well as the size of its final per capita product, Czechoslovakia belongs to the economically developed countries. But it is no secret that for some time the development of our society has been accompanied by great problems, particularly in the economic area, which we must resolve without delay. As in the Soviet Union, in our country the issue also involves a radical transformation of the economic mechanism, the entire system of planning and control of the domestic economy, broad democratization of society, improvement of the political system, and profound changes in the cultural and intellectual life of society. In short, we have problems of the same nature, and I should say, they are great. The alarm clock of perestroika began to ring late, perhaps, but it is nevertheless ringing.

[Question] What is the substance of your perestroika?

[Rehorek] Perestroika implemented in our countries has its own characteristic features and specific qualities, of course. This derives from historical and cultural traditions, from differences in economic and political development in our countries. But this by no means implies that we can act more slowly or less consistently. Probably you are well aware that some time ago we tried to improve many things. However these attempts were ineffective due to our inconsistency, and often out disinclination to change old approaches.

The main trends and tools of acceleration of socioeconomic development of society were marked out by the 17th CPC Congress and further developed by subsequent plenums of the CC, CPC. Their implementation proceeds from a critical analysis of what has been done in individual areas, the abandonment of simplified approaches, outmoded plans, and all that is associated with the perception of socialism as an immobile, static system, the formation of new tasks, and the role of the center and cost-accounting sphere. To improve the work with cadres, to extend the activity of all links of management in such a way that they more resolutely, independently, and responsibly support the implementation of

the course marked out by the congress. All this should lead to a sharp turn in policy toward the person, toward activation of participation by people in the control of public affairs.

There are many positive examples. One could start with the political system based on pluralism of opinions of various political parties and organizations, united within the framework of the National Front, or take for example, the national committees, production and consumer cooperatives, etc. Of course, to this point not everything functions as we would like it to, or as it should. But on the other hand, we also should not reject everything. We should not submit to emotions; on the contrary, we must think rationally and logically about what is and what is not functional, what should be kept and improved, and what should be resolutely discarded.

[Question] Recently you returned from Prague, where as a member of the Central Committee you participated in the work of the regular CPC Plenum. What tasks did it mark out?

[Rehorek] I would say: we specified our work for the coming year and the coming five-year plan. The Plenum stressed the necessity of integrated perestroika in Czechoslovakia. This necessity derives from the internal needs of our economy and public life. Voices, particularly from certain of our enemies in the West, claiming that we supposedly are implementing perestroika for the sake of the Soviet Union, or even under pressure from it, have no grounds whatever.

Every sober-thinking person sees that people in Czechoslovakia associate perestroika with the need to eliminate poor management, disorder, and bad habits in the domestic economy and in society in general. They rightly demand that all problems be resolved consistently, thoroughly, and comprehensively, that administrative-bureaucratic management methods be eliminated, and that Leninist principles of open policy and broad glasnost be applied. On the other hand, we do not hide the fact that in the practical realization of perestroika, certain persons, including leading workers, have assumed a wait-and-see attitude.

It is common knowledge that we presently confront a number of problems. The tasks of the 8th five-year plan for quality indices are not being accomplished, there is still considerable inertia in extensive development, the volume of unused reserves grows, the state of affairs in the area of relations between suppliers and contractors has worsened, and the selection mass consumption products in the market is insufficient.

We openly point out the problems. Our party considers criticism of deficiencies to be not a manifestation of weakness, but on the contrary, a manifestation of strength.

[Question] Western propaganda today speculates that the present perestroika is a return to 1968, to the leader of the so-called "Prague Spring", A. Dubcek.

[Rehorek] You said that right, they are speculating. There is no return, and cannot be one, for you see, today we are in a completely different situation. As for A. Dubcek, he wants to hook up to the train of perestroika. For us A. Dubcek was and remains a representative of political adventurism of the second half of the sixties.

[Question] And one more "delicate" question asked by our readers. Why did you recently establish strict customs barriers on your borders.

[Rehorek] First of all, this applies to tourists. Every year we are visited by 22-24 million people. You must agree, this is quite a few in comparison with the 15 million residents of Czechoslovakia. But we are glad to see this influx of guests. And we are always ready to greet them joyfully, to feed them well and delectably, to show them theaters, castles, and other sights of our country. Go ahead, buy kielbasa, fruits, drink Czech beer, Slovak wine, listen to music, rest, enjoy yourselves... We would be pleased if our guests bought the things that are in our stores. However, among all the tourists there are many who are hunting for shortage items. And a shortage, as we know, is everywhere a shortage. This creates great difficulties for us. With regard to Soviet tourists, we have 150 thousand of them annually. And if they are familiar with our customs regulations, what they can acquire there and what that cannot take out duty free, then I think there will be no problems. I am sure that the new customs regulations will not at all affect the fruitful development of our friendly ties, including in the area of tourism. I just want to stress that these customs regulations are directed first of all against speculators. This measure, as you know, is temporary. Our task is to ensure a sufficient number of domestic consumption products, including for the most exacting tourists.

[Question] Does an ambassador have free time? How do you spend it?

[Rehorek] I can't say that all I do is work and work. Although that is mainly what I do. But while I am abroad, I try to use my free time to get to know the country and its people better. The rich cultural life of your capital offers broad opportunities to spend one's free time in an interesting manner. I can visit the exhibitions. Go to the theaters, look at architectural monuments. In short, we do not isolate ourselves from our lives... In the winter I like to ski. To breath the fresh air in the Serebriany Bor...

[Question] We have met with you just before New Years. Happy New Year, and through you, to all the employees of the embassy, we wish you successes in your noble cause of strengthening the interaction of our parties, peoples, and countries.

[Rehorek] Thank you. I wish happiness, prosperity, and good things not only to the workers of the mass media, but to all the Soviet people with all my heart.

I can say with all assurance that the workers collective of the Czechoslovak embassy in Moscow will do its utmost to ensure that the traditional friendship, alliance, and multifaceted cooperation of Czechoslovakia with the Soviet Union continues to develop and grow stronger. This meets the vital interests of our peoples, this is the stable foundation of the foreign policy course of Czechoslovakia.

Since we have touched on foreign policy, it is important to note that the active, vigorous endeavors of the USSR in the interests of affirming the new political thinking in international relations, your peace initiatives aimed at creating an all-encompassing system of international security, further progress at disarmament talks, as well as in the resolution of other global problems of mankind, meet with full support in our country.

We are happy at the positive response that the Soviet Union has made to the Czechoslovakian initiative to create a zone of confidence, cooperation, and neighborly relations on the line of contact between the Warsaw Pact and NATO, which was made by the General Secretary of the CC, CPC, comrade Milos Jakes.

I would like to stress that our coordinated foreign policy not only achieves impressive successes in strengthening socialism in the international arena, but also furthers the improvement of the international climate, the lowering of confrontation, and the strengthening of trust, in the interests of resolving first of all European and global problems by peaceful means.

In conclusion I want to express my genuine gratitude to all political and state organs of the Soviet Union for creating all necessary conditions for our work in your beautiful country.

#### **German-Language Edition of ARGUMENTY I FAKTY for GDR Urged**

18070526 Moscow ARGUMENTY I FAKTY in Russian No 7, 18-24 Feb 89 p 3

[Letter to the editor from I. Dementyev, Karl-Marx-Stadt, GDR: "I Cannot Read ARGUMENTY I FAKTY"]

[Text] In the last three years in the GDR, where I moved to live with my wife, interest in the USSR has grown significantly. There is great demand for the Soviet periodical press in the German language. The toilers of the GDR, supporting the policy of glasnost and perestroyka in the Soviet Union, want to know first-hand the truth about our country. Articles and interviews in your newspapers are known to practically no one here.

I think that ARGUMENTY I FAKTY is necessary, not only to propagandists in the USSR, but also to propagandists in the socialist countries. I am sure that, if it were published in German, the newspaper ARGUMENTY I FAKTY would be especially popular in the GDR and other German-speaking states. This would obviously be difficult to organize, but there is plenty of experience with other publications. Why couldn't your newspaper organize such a joint production?

This is my suggestion for the future. For now it would be good to solve the problem with a subscription to ARGUMENTY I FAKTY IN Russian here in the GDR.

#### **PZPR Official Interviewed on Slupsk Reforms**

18070088 Moscow PRAVDA in Russian 20 Dec 88 p 4

[Interview with Zigmunt Chazhasty, conducted by A. Starukhin, Slupsk-Warsaw PRAVDA correspondent: "Party Reforms in Slupsk"; first paragraph is PRAVDA introduction]

[Text] This news is more and more often aimed at the same place—the remote northern maritime city of Slupsk. Polish press talks about the "Slupsk experience" and the "Slupsk experiment."

You would actually call the undertakings coming from the PORP [hereafter PZPR - Polish United Worker's Party] voyevode [Polish province] building innovations. The committee and its new (with a three-year term) first secretary, Zigmunt Chazhasty, are searching for and basically finding new forms for effective cooperation with councils, representatives from the state administration and leaders of industrial enterprises and construction sites. This cooperation has expanded to encompass a very extended circle of business men—economists, engineer and technical workers and creative intelligentsia. In a very short time the situation in practically all aspects of the economy in Slupsk and the entire province has changed, basically for the better.

What is this miraculous lever that the province party committee has found and is skillfully using? Our conversation with Z. Chazhasty began with just this question.

[Chazhasty] There is nothing miraculous. It was not necessarily prolonged, but certainly well thought-out committee staff work that preceded the changes. The need for a new, more effective model and concept for realizing party authority resounded at the last party plenum. We also had to take measures to significantly accelerate the resolution of all top priority tasks. We first and foremost saw a future in "socializing" party authority. This means that as the party organization has always wanted to appear progressive and increase its authority among the masses, it had to involve these masses, in the form of worthy, competent representatives, in developing the most crucial decisions.

We recommended a model of party influence that envisioned reliance, in all spheres of activity, on lower party organizations, on professional unions and self-governing agencies and on sensible experts, workers and employees who are respected in the organization, regardless of whether they have party or any other affiliations. We developed problem committees from amongst this significantly expanded body of active personnel and these committees again included people without party affiliations. We had one requirement—that the people be business-like, have efficient and daring ideas and comprehensive knowledge of the problem and want to help matters. Thus the province committee soon acquired, and I would stress this point, an enormous number of qualified and interested helpers.

[Starukhin] The number of urgent problems certainly included such difficult-to-solve problems as the construction of living space, production of food products, ...?

[Chazhasty] Certainly. And it also included protecting the environment and improving economic indicators in the various fields. In short, it included the high-priority areas as determined by the PNP [Polish People's Republic], but was not limited to them. We totalled two dozen problems in our province and appropriately formed the same number of commissions which had 960 people—from workers to professors.

It may seem paradoxical that we clearly designated and detailed a really colossal amount of work and it then turned out that we were in a position to manage with a much smaller number of staff workers. We are reducing the staff by half today and it will only total about 40 people. For example, the study of the reasons for residential construction and other areas lagging behind showed that it was more advisable to have as many experienced party workers as possible at sites and in the specific factories where we are trying to achieve turning points. Thus part of the committee co-workers are located and will be located in lower party organizations, boards of directors and directorates and directly in workshops and will be involved in economic work. I will note that the structure of the provincial committee agencies had not changed in ten years and the advisability of reforms had long been evident. We are persistently realizing the concept that calls for a party functionary not to be an administrator, but a leader and organizer. Consequently we need progressively fewer and fewer administrators from the party.

[Starukhin] And what kind of effect has the reorganization had on resolving the individual serious problems? We know, for example, how quickly the picture in civic construction has changed in Slupsk. How has this happened without monitors from the province committee and without daily monitoring?

[Chazhasty] We managed. The correct selection of the key to all the problem locks predetermined our success.

For example, construction workers had a lot of trouble meeting their plan from year to year and at times did not meet it. Why? It turned out that they were totally uninterested in completing their plan ahead of schedule and were not interested in additional earnings because this made them liable for high taxes. We asked a committee to study the situation at hand and recommend how we could drastically increase labor productivity. The commission members undoubtedly know their area's defects better than we do and can therefore develop a formula to cure them. And this is what happened. According to the commission's "cure," the overwhelming majority of the construction organizations voluntarily agreed to increase their plan by a minimum of ten percent in exchange for which they received advantages in their tax liabilities. As a result their people's salaries increased by one-third. But this is money that is paid for specific additional production that was terribly needed by society and the state. The results of this year show that there is approximately an additional 110 apartments being offered to new tenants as living space.

I personally see party democratization behind this type of intensifying process. The doors to committees are now open wide to all thinking people. These committees are making decisions—purely collectively after comprehensive and extensive discussion. And as is known, correct decisions often "work for themselves." And therefore it is not necessary for a party worker to take care of individual problems and push those doing the execution; he must think about the problem, set up a study of the problem and be able to find the shortest route to overcoming the barriers.

I should digress a little here. The "Slupsk Reforms" are after two fundamental goals: the first is to find and approve a method for drastically increasing the province's economy with today's difficult conditions under which Poland is trying to overcome crises phenomena; the second is to strengthen the role of the party and strengthen the ranks of party members and consolidate political methods that have an effect on the public. Party committee secretaries from all over the country recently met in Slupsk to get more closely acquainted with the initial reassuring results, study them and include them in the inventory of other province party committees. This maritime city held a guest session of the PZPR Central Committee Secretariat.

Attention was focused first and foremost on the fact that local party workers are operating in unusually close contact with United Peasant and Democratic Party organizations, religious and other organization and, of course, in very close contact with people's councils. Thanks primarily to the active and all-encompassing work of all of those numerous party and social commissions (in every individual case their members specifically present themselves as individual experts and professionals with initiative, and not a vague organization or society, working under conditions where there is a real

requirement to show themselves), the commissions represent extensive layers of society and, when carrying out their plans, have enjoyed extensive support as if they were carrying out the will of the majority of the population. And hence the reverse—party work has become more effective and party authority has increased in the eyes of the people.

There are changes in province life. The number of trade enterprises has increased twofold in recent years. There has essentially been a revival of the famous Slupsk trade of olden times. Tax payments from artisans have noticeably readjusted the budgets of city, settlement and gmina [Polish county-type territorial divisions] departments. We have created 120 various types of production that are undoubtedly profitable. Thanks to this, this year for the first time local people's soviets have stated that income is about three million zloties more than expenditures. Here we have the means to develop the social infrastructure. Before this the initiatives of cooperators and artisans were also often bound and hampered by party committees that justified their actions with concerns about the "purity of communism." But as a result they were only a brake on progress. Activists on the PZPR province committee now also include a Polish Roman Catholic Church attendant and a former member of Solidarnost and even an organizer of the strikes that are still fresh in our memories. As a full member of the commission, for example, this last individual is able to focus all his efforts to facilitate the introduction of a new system for economic incentives in the ship yard at Ustka.

Local inhabitants are constantly surprised at the unusual speed with which the framework for the province medical center sites is growing. A powerful 18,000-hectare base for horticulture is being established in the wetlands of the Leba River. And what about the new House of Creative Work in Ustka? I will tell you straight out that there is no way this could have come about as a result of a strict directive—it has 14 operating workshops at the club and exhibition halls. And take the gmina, a small area, centered at Kshemenyev. When the opportunity presents itself, local PZPR committee secretary Stanislav Khalas will proudly show the four- and five-room houses that have recently sprung up for peasants and that have significantly larger cows, pigs and chickens in their farmsteads. And the inhabitants of the gmina spend their free time in an interesting fashion. We will only recall the "week" of physical activity, the Kshemenyev "days," the trip along the military route of the "Poznan" Army and the bonfire meetings between gmina leaders and the population that have become traditional. Gmina government secretary Elzbeta Ivanets remembered the first such bonfire with a smile. "An elderly peasant approaches and says that until then he did not know what the secretaries looked like." Kshemenyev leaders are convinced that constant contact with the people is the foundation of today's style of party work.

[Starukhin] And here is another question for the first secretary of the province committee. How easy has it

been and is it to get accustomed to the new reforms associated with, as is often repeated in Slupsk, "socializing" the role of the party?

[Chazhasty] Certainly our policy of openness initially caused a feeling of uneasiness among certain party workers. Some even openly stated that it would lead to no good and too much initiative was being given to non-party members. And they actually began to take charge of the situation and give that very impression because of inactivity on the part of party members themselves. But let's look at the facts. In resolving personnel problems today we certainly do not recommend an individual for a responsible position because he indicates that he belongs to the party, but because of his ability to work, his ability to see the future and his knowledge of the position being offered. Does this undermine and weaken party authority? Not at all. Just the opposite, it strengthens it. People see that the party is objective and worries about how things come out. And this revived faith in the party quickly began to materialize.

The province party organization has steadily grown in recent times and now numbers 30,505 members and candidates. 1909 people have entered our PZPR in the last year alone. I agree, we have complete confidence in young people and often advance their representatives without fear. One of our commissions in particular is doing an excellent job of putting the following principle into practice—a worker must become a master; a master must become an engineer; an engineer—a leader and so forth. This opens the way for many from the beginning of their path through their work. And thus it is very gratifying that almost two-thirds of the party replacements, primarily people younger than 35, are workers and peasants.

And in Kshemenyev the gmina chief, Andzhey Petrulya, is inseparable from his amateur motion picture camera either at the soccer match between party workers and representatives of the gmina directorate, at the next "bonfire," at the dance for the foremost workers in industry or at the improvement of social amenities in the "most active village" which received supplemental grants for this. His chronicle must be interesting.

#### **Yugoslavia: Example of Difficulties of Extirpating Stalinism**

[Editorial report] 18070506 Moscow NOVYY MIR in Russian No 12, December 1988 publishes on pages 171-184 an 8,400-word article by Ilya Konstantinovskiy entitled "Yugoslavia's Long Road—Is It Difficult To Free Oneself from Stalinism?" Consisting primarily of accounts of conversations the author had during a recent extended visit to that country, the article evaluates the success of Yugoslavia's experiment in "self-management" since it was launched in the 1950's. Konstantinovskiy portrays Yugoslavia as a very prosperous,

lively country. He attributes Yugoslavia's current political and economic "crisis" not to "self-management" but to its incomplete application and to the persistence of "Stalinist" methods of bureaucracy and Party "interference" in management and in elections. Despite the problems, he stresses that Yugoslavs enjoy a high standard of living compared to other East European countries: "I saw markets heaped with fruits and vegetables, stores full of food and every type of goods...there is everything but no lines."

He states that Yugoslav authorities feared to carry any reform to its logical conclusion and quotes several Yugoslavs to the effect that Stalinism's influence is felt today in the attitudes of many officials. Recalling an earlier trip in the 1960's, the author cites a factory manager as describing himself as subordinate to the factory workers' council, but also as believing that "the combine administration thinks on a higher level than the workers... He [the factory director] understood Marx and how hard it is to raise people's understanding 'in our country and in yours.'" Konstantinovskiy laments that such contempt by administrators for workers is indeed common in both Yugoslavia and the Soviet Union.

Returning to the 1980's, the author quotes a member of the staff of the Party journal EKONOMSKA POLITIKA that the cause of the problems which arose in the 1970's was "not economic but political," that is, many officials' belief that the "command style of management" was necessary to prevent a resurgence of nationalism and that "weakening command methods and developing money and market relations would threaten socialism." The Yugoslav journalist goes on to say that this would threaten "not socialism, but one of the essential features of the Stalinist system of socialism—the distribution of benefits according to jobs and the place occupied in the power hierarchy... Today a new reform is maturing, along the old direction we found long ago: more freedom for trade and market relations and private initiative and a rejection of a dogmatic understanding of what is

capitalism and what is socialism, where one ends and the other begins... A multisector economy does not contradict Marxism. It is also necessary to take a decisive step toward democracy."

Konstantinovskiy goes on to note "Wherever I was in Yugoslavia I heard everywhere: Stalin, Stalinism." He cites a conversation with a Zagreb history professor who believes that Yugoslav reforms were deformed from the beginning by the use of "Stalinist methods" against opponents of reform; he calls the Goli Otok prison, where many Yugoslav "Stalinists" were held "our Soloviki, Magadan, Vorkuta."

Konstantinovskiy recounts a conversation in Ljubljana with a Russian translator who expressed resentment of the transfer of resources from the richer republics to "those members of the Yugoslav federation who don't know how to or don't want to work," and attributes the continuation of these transfers to the reluctance of officials to give up even the smallest part of their authority—"the heritage of Stalinism."

Describing admiringly a visit to the Zagreb Poligraphic Enterprise, a publishing house, the author is told that "any two or three people" can buy typographic equipment and set up shop as a publishing house; "The problem is not how to publish a book but how to sell it. Publishing here is free from the bureaucrats' unneeded tutelage."

Discussing the problem of Yugoslavs' having to seek work abroad, Konstantinovskiy notes, "The country's frontiers are open. Everyone can leave when and whither he needs to. And everyone can return without impediment."

Concluding his reminiscences, the author recalls a conversation in Belgrade with a "famous writer and former partisan," who said, "We shouldn't discuss what corresponds or doesn't correspond to socialism, forgetting its final goal. We must remember one thing: socialism is when a man feels himself well off, when the maximum number of people feel themselves well off. When they are badly off—it is not socialism."

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**Peru's Sendero Luminoso 'Terror' Akin to Pol Pot**  
*18070091 Moscow SOVETSKAYA ROSSIYA*  
*in Russian 24 Dec 88 p 5*

[Article by P. Romanov, Lima, under the rubric "Peruvian Report": "Path to Nowhere"]

[Text] At the beginning of December, suffering in the stuffiness of a long and silent line at one of the Lima "Universams" (it was similar to Moscow's lines, but more tightly packed, and we stood in the dim light of a few candles for simple drinking water), I heard an elegant elderly lady say unexpectedly loudly and bitterly, "God, do something finally! Let the military come and kill them!"

The people milling glumly in front of the only cash register, hooked up to a car battery, looked at each other but did not comment on this strange appeal to the Creator. So begins the report of the APN correspondent in Peru.

The line knew why there was no light in Lima and why a strange-smelling colored liquid flowed from the taps of the Peruvian capital suitable only for fertilizing fields and gardens. They all knew that the Senderista were marking the birthday of their leader and teacher "President Gonsalo."

Today they are talking more about electricity and water in Peru than about inflation, even though it crossed a thousand percent in December. Every Peruvian, and especially those with electric stoves in their kitchens, is now familiar with the fact that over 5,000 electrical-transmission line towers are scattered about the mountains and valleys of the country, and that almost every one of them is an easy and tempting prize for the terrorists from the leftist organization of Sendero Luminoso. In general, of course, the Peruvians are not unaccustomed to sitting around without light, since over the last eight years the Senderista have destroyed 447 towers, but nonetheless the November-December series of 30-plus explosions had at first caused a state of shock, and then indignation, in Lima. A useless indignation, by the way, to put it bluntly, because as it turned out, in the majority of cases the authorities were still unable to provide for the effective protection or rapid repair of the towers. This is natural if you take into account that a considerable portion of them have been installed high in the Andes; it is not at all simple to get to them.

Why do the Sendero Luminoso (in translation, "shining way" or "shining path") suffer from such a gravitation toward the outer darkness? It becomes understandable if one becomes more familiar with the program of the organization. Although the party considers itself to be formally communist, it is no coincidence that it emphasizes in every one of its documents that it acts based on the ideas of "President Gonsalo," who "creatively developed the basic provisions of Maoism." Any objective

analyst who has become familiar with the materials of the first congress of the Sendero Luminoso, which took place at the beginning of 1988, comes to the conclusion that Senderism has no relation to either Marxism or Leninism. It is not for nothing that all leftist forces in Peru categorically repudiate and condemn Senderism. Specialists who know the Sendero Luminoso well both from the theoretical treatments of "President Gonsalo" (in the real world Abimael Gusman, a former instructor at the university in Ayacucho) and from the bloody practices whose victims are first of all low-ranking government employees, simple peasants and the police, consider Senderism to be a unique Peruvian version of Pol Pot.

As for the strategy of the Senderista, it is quite simple and was invented long before them. The leaders of the Sendero Luminoso of course understand perfectly well that terror does not arouse the sympathies of Peruvians, but after all, it also does not add to the popularity of the government either, and that is the chief mission of the Senderista as contained in the formula "The worse the better!" It is namely in the chaos of political confusion that the Sendero Luminoso seek their chance. Knowing what the rule of Pol Pot cost Kampuchea, it is terrible even to imagine Peru in the hands of the Senderista.

Meanwhile, in the opinion of many Peruvian and foreign observers, the Sendero Luminoso, which began active combat operations eight years ago, is gradually winning the war. This opinion is disputable. I think that the capabilities of the Senderista have clearly long been exaggerated, but it is correct that the initiative has been with them of late. The zone of active operations by the Senderista has widened considerably and has moved closer to the capital.

It is also worth paying attention, on the other hand, to how intensively their presence in the regions of the country where cocaine paste is produced is increasing. According to much evidence, the Senderista are beginning to control more and more new zones in those regions, displacing the classic mafiosi and replacing them in the field of drug trafficking. That is how matters stand, for example, in the region of Alto Huallaga, where, according to the calculations of specialists, some 150,000 hectares are given over to coca production, and the annual income from its sale is reaching 10 billion dollars.

The number of victims of Sendero terror is constantly growing. Over the week of November 15 to 22 alone, the Senderista, preparing a gift for the birthday of "President Gonsalo," killed over a hundred people.

The lady in the line, calling simultaneously on heaven and the military, is not alone in Peru today. But the representatives of the democratic forces are correct, first of all, in recalling the necessity of resolving even the most complex problems within the framework of constitutional norms and, second, in emphasizing that Senderism cannot be

defeated by military and political measures alone. A most severe economic crisis, poverty, illiteracy, social injustice—that is where Senderism derives its reserves, deceiving the population with the most primitive pseudo-revolutionary slogans. The country needs serious and effective economic and social reforms.

Another element is also extremely important. In the next two years, Peru will pass through the test of first municipal and then presidential elections. The fate of the struggle against the Peruvian Pol Pots will depend to an enormous extent on the cohesion of the leftist forces united by a single democratic pre-election program.



## Obstacles to Asian Disarmament Examined

### Japanese View on Asian Disarmament

18070104 Moscow PRAVDA in Russian 3 Feb 89 p 6

[Article Professor Hidejiro Kotani, Kyoto University, from the SANKEI SHIMBUN: "Toward Disarmament in Asia: View from the Japanese Islands"]

[Text] The program of unilateral arms reductions advanced by CPSU Central Committee General Secretary M.S. Gorbachev in his address at the U.N. General Assembly session on 7 December 1988 was met with approval, unlike the program for general and complete disarmament proposed in September 1959 by the late N. Khrushchev, first secretary of the CPSU Central Committee. The Treaty on the Elimination of Intermediate-Range and Shorter-Range Missiles, which is being fulfilled "in an atmosphere of trust and efficiency," became the background for this Gorbachev program.

However, welcoming the decision on a unilateral reduction of Soviet Armed Forces, the U.S. secretary of state at the same time pointed out that even at the end of 1991, that is, when the general secretary's promises will be carried out, the East's armed forces in Europe will still surpass the West's armed forces, and the problem of the imbalance of forces will continue to remain. At a NATO Council session of ministers of foreign affairs, however, there was concern that the defensive plan of the West, based on a combination of nuclear weapons and conventional arms, is beginning to gradually collapse. In this regard, after Gorbachev's speech, participants of the meeting came out with specific proposals on negotiations with the East on questions of conventional arms reductions. The point of these proposals was for the East to reduce its conventional armed forces even more than Gorbachev proposed.

As far as disarmament in Asia is concerned, General Secretary Gorbachev's address only said that "during these 2 years we will also substantially reduce the grouping of armed forces in the Asian part of the country." The specific reference that a significant portion of the Soviet Armed Forces presently located in Mongolia would be withdrawn is linked to Sino-Soviet reconciliation, which is expected in the foreseeable future. At the same time, the hitches in settling the Afghanistan problem make it possible to understand why Gorbachev limited himself only to these proposals. However, based on the results of the meeting of the ministers of foreign affairs of Japan and the Soviet Union and guided by interests of Japan's security and ensuring peace in Asia, it must be recognized that an important task for Japan must be active assistance in creating an atmosphere in Japanese-Soviet relations that would favor developing a dialogue aimed, above all, at disarmament in Asia. You see, in the 21st century Japan will have an important role to play, I am convinced, in disarmament. This follows both from Gorbachev's statements in his speech at the United Nations and from the fact that in the 21st

century, Japanese-Soviet relations, international ties between the countries of Asia, and the entire Pacific Ocean region will become the center of development of world events. Of course, questions associated with the forthcoming disarmament in Asia are questions affecting not only the mutual relations between Japan and the Soviet Union. These questions affect the interests of a large number of countries and are directly linked to questions being discussed within the framework of the United Nations.

In order to orient ourselves in the dialogue concerning problems of disarmament in Asia, the following must be kept in mind.

First of all, the principle of "asymmetry" should be made clear. Having announced the unilateral reduction of its armed forces, the Soviet Union adopted precisely this principle, proposed earlier by the United States. It is natural that this same principle should also be applied to questions related to Japan. Speaking more concretely, this should involve withdrawing Soviet troops located on our northern territories. Since we support establishing our just sovereignty over the northern territories, it is quite natural that the principle of "asymmetry" should mean the unilateral withdrawal of Soviet troops from the four islands. This withdrawal would also demonstrate the Soviet Union's readiness to proceed toward disarmament.

Of course, the withdrawal of Soviet Armed Forces should not be linked to the location of our Self-Defense Forces on Hokkaido. In any event, if we are to be guided by Gorbachev's words about maintaining the USSR's defense capability "at a level of reasonable and reliable sufficiency," then the Japanese Self-Defense Forces should be improved even further. Why? Because it is apparent from a report by the magazine NEWSWEEK how successful the Soviet troop maneuvers were in which they practiced operations for landing on the island of Hokkaido. What is more, from sources connected with management of the national defense, it is known that the Soviet Union's Pacific Ocean Fleet, as before, is continuing to increase its might. Such a buildup of military might will result in the USSR having to make unilateral cuts again in the future. In this sense, the Soviet Union should reexamine its policy of increasing its arms in Asia, if only to avoid ahead of time the emergence in the future of those difficulties which it has encountered today.

Secondly, those nuclear armed forces of the Soviet Union which are trying to turn the Sea of Okhotsk into their own inviolable area must become a vitally important long-term objective of the disarmament policy in Asia. This disarmament must include a reduction in USSR Air Forces in the Soviet Far East which cover the Sea of Okhotsk from the air. If the leaders of the United States and the Soviet Union consider it necessary to reduce strategic nuclear weapons on a global scale, then

as Pacific Ocean powers they must begin reducing strategic nuclear arms in this maritime region. In this regard, perhaps they should think about the idea of creating nuclear-free maritime zones both in the Sea of Japan and the Sea of Okhotsk, involving in this matter the United States and the Soviet Union, as well as Japan and the two states on the Korean Peninsula. In this regard, there may also emerge a need for creating a new system of security.

#### **Soviet View on Asian Disarmament**

18070104 Moscow PRAVDA in Russian 3 Feb 89 p 6

[Article by I. Latyshev, doctor of historical sciences:  
"Through Joint Efforts: Logic of Common Sense"]

[Text] The article by the well-known expert on international affairs, Kyoto University Professor Hidejiro Kotani, attests to the great attention with which the Soviet Union's peace initiatives were received in Japan. Whether he wants to or not, the author must read between the lines that the Soviet Union's consistent course toward general disarmament and relaxation of tension has today become the axis of development of world events.

The author's opinions are typical, however, for the stand taken with respect to Soviet peace initiatives by leaders of Japan's ruling Liberal Democratic Party, as well as the military circles here and the right-wing press. This stand is two-faced: On the one hand, they express approval of all steps by the Soviet Union to reduce its armed forces. In particular, they approve of M.S. Gorbachev's plan to cut the Soviet Armed Forces by 500,000 men and withdraw sizable military contingents from the socialist countries of Eastern Europe and Mongolia, not to mention the withdrawal of the Soviet military contingent from Afghanistan, entering its final stage.

On the other hand, however, the a deliberately incorrect notion is being suggested to the public that at this stage of developing international relations, disarmament should be not a common cause for all the major military powers of the world, but merely some unilateral responsibility of the Soviet Union. At the basis of this approach is the assertion that the military threat to peace throughout the world comes only from the Soviet Union and that the armed might of the United States and its allies poses no threat to peace. Overlooking the fact that today Japan ranks third in the world in level of military expenditures and that its armed forces have become one of the most battle-worthy armies of the capitalist world, supporters of this myth use it to justify the Japanese government's course toward a further buildup of the country's military might. One can clearly track in author's arguments the well-known views of the leaders of Japan's national defense agency, who maintain that the Soviet Union's peace initiatives and its concrete steps toward arms reductions should not be accompanied by corresponding reciprocal steps by Japan. Speaking out in favor of "improving Self-Defense Forces," the author justifies the further buildup of the country's armed forces by

absurd fabrications about some military preparations by the Soviet Union in the Pacific Ocean, transparently alluding that they supposedly envision an invasion of Hokkaido.

Complaining about the absence of any mention in M.S. Gorbachev's speech about reducing the Soviet military potential in the Pacific Ocean area, Professor Kotani passes over in silence the fact that, in addition to the Japanese Self-Defense Forces, there are large contingents of its military ally—the United States—located on its country's territory. They include not only 50,000 American soldiers, but also the U.S. 7th Fleet which consists of aircraft carriers with fighter-bombers on board, nuclear-powered submarines, and other warships armed with nuclear cruise missiles and other types of offensive weapons. Unlike the Soviet Pacific Ocean Fleet, which is based on our own territory in accordance with our country's defensive doctrine, the U.S. naval forces have been moved out to this area of the world far beyond their own borders.

It is significant, for example, that in the upcoming joint American and Japanese naval maneuvers in the area of the Sea of Okhotsk and Sea of Japan this fall, the U.S. military command will practice, as the same SANKEI SHIMBUN has already reported, operations to "put Kamchatka out of commission," "occupy the Kuril Islands," and "attack Primorye." To write about the Soviet Union under these circumstances as some source of "military threat" in the Asian-Pacific Ocean region and demand that it take unilateral steps toward disarmament is to go against truth and common sense.

Professor Kotani's unjustified attempt to consider the Kuril Islands as Japanese territory and in this regard to insist on the withdrawal of all Soviet troops from these four islands also cannot help but evoke in Soviet readers a legitimate feeling of protest. The bias of the author's opinions is particularly noticeable when, demanding the demilitarization of the Kuril Islands, at the same time, he considers it legitimate to continue to maintain the presence of four divisions and three brigades of Japanese Self-Defense Forces in direct proximity to Soviet borders, namely on the island of Hokkaido.

True, Professor Kotani's article does contain constructive ideas. In particular, his statements about the desirability of developing Soviet-Japanese dialogue and reaching a Soviet-American agreement not only on a global reduction of nuclear forces, but also on their reduction in the Pacific Ocean zone, as well as his appeal to turn the Sea of Japan and Sea of Okhotsk into "nuclear-free" zones based on creating a "new system of security." Sensible ideas, without a doubt. It is too bad that in expressing them, the author made no mention of the fact that the Soviet government has on numerous occasions made this proposal to the U.S. and Japanese governments. Thus, in his address in Krasnoyarsk in September 1988, M.S. Gorbachev informed the public that the Soviet Union would not in the future increase

the amount of any nuclear weapons in the Asian-Pacific Ocean region and called upon the United States and other nuclear powers to follow the Soviet example. In that same speech, the Soviet leader proposed to the main naval powers of the region to begin mutual consultations on not building up their naval forces. What is more, it was proposed to those same powers in that same speech to begin on a multilateral basis discussion of the question of reducing military confrontation in the region where the seacoast of the USSR, the PRC, Japan, the DPRK and South Korea come close together in order to freeze naval and air forces at balanced reduced levels and also to limit their activities.

Unfortunately, so far there have been no positive responses to these concrete proposals.

**PRC: Guangzhou Special Economic Zone Profiled**  
18070065 Moscow SOVETSKAYA ROSSIYA  
in Russian 23 Nov 88 p 5

[Article by M. Bondarenko, Guangzhou—Moscow: "City of Open Doors—Report from a Special Economic Zone of China"]

[Text] *Information—About 12 special economic zones have been opened up in the coastal regions of China, inhabited by from 100 to 200 million people. A million Chinese already work at enterprises in Hong Kong. The economic growth indicator for the Guangzhou region is about 10 percent.*

*But problems associated with the structure of the mixed economy are arising along with the market. According to official data, annual price increases have reached 11 percent, and in reality, several economists feel, they are much more; in the Guangzhou region, where the economy is most open and the inflation is the highest, retail prices have increased by 20 percent over the past year. State Council Premier Li Peng has declared that inflation is "the principal problem of present-day economic and social life in China."*

*Shenzhen is the most developed special economic zone [SEZ] of China. The majority of the enterprises there were created with the involvement of foreign capital. They are either joint or wholly foreign-owned ventures. Their gross output was over 2.3 billion dollars in 1986, or 65 percent of the entire gross output of the zone. Since the time the SEZ was founded, the administration has signed 4,947 contracts for 3.5 billion dollars. Some 960 millions dollars of that total have already been invested, and 250 enterprises have already entered service and are producing 60 percent of the export output of the zone. Half of the 1,200 projects being created in the zone are industrial.*

*The Shanghai—Guangzhou train arrived late at night. But Guangzhou was not asleep: neon signs invited us to sample exotic courses of southern cuisine, acquire Seiko watches or make use of Canon copying services.*

Guangzhou... Europeans have long used their own name for it—Canton. Its dual name of Guangzhou (Canton) thus remains on all the maps of the world. The chief distinguishing feature of this city is its gravitation toward the outside world. And the reasons for this should be sought not so much in the "open-door" policy being pursued here today as in its history: the majority of the 30 million Chinese who have, beginning in the last century, settled around the world are emigres from this area. The family ties maintained by the residents of the city perhaps thus allows them to reap the richest fruits of the policy China has been pursuing for ten years now. "Huaqiao"—"countrymen living abroad"—have become a powerful economic factor in the development of the province and its capital. Schools, hospitals, bridges and hundreds of kilometers of highways are being built in Canton with their money.

What is it that strikes you when you first come here? Undoubtedly the proximity to Hong Kong. The city serves as before as a base for the country's light industry and is engaged in the machining and manufacture of semi-finished products for Hong Kong entrepreneurs. Many Guangzhou enterprises have actually become "satellite plants" of Hong Kong firms and industrial associations. The production of jackets, shirts and shoes made from Hong Kong raw materials comprises roughly a quarter of all of their production in China. It can be stated with confidence that it is namely Canton that is the style setter for the country, much more so than Peking or Shanghai in this regard.

And you are also struck by the enormous number of magnificent hotels. My Chinese friends assured me that there are about 700 of them in the city. This is roughly 15 times more than in neighboring Hong Kong, long renowned for its international trade and service industry. Three superhotels are the "showcase" of the city—the Garden Hotel is valued at 90 million American dollars and is a "joint venture" built using the funds of the PRC and a group of Hong Kong investors. Another concrete giant is the White Swan Hotel—essentially a city within a city: the guest complex includes bakeries and stores, areas for games of golf and tennis, cafes, restaurants and diners... It is striking in the scope and imagination with which it was built by the Hong Kong magnate Henry Fo. And, finally, the China Hotel with 1,017 rooms, built in conjunction with the Yanchen Service Development national company and six Hong Kong firms. These "minicities" are reminiscent of ultra-modern beehives of glass and concrete in whose honeycombs thousands of people are scurrying about who have arrived from every corner of the earth to see for themselves the results of the economic reform underway in the country.

One of the most tangible results of the reform is found near Guangzhou. Presenting my passport and buying a ticket, I got on a train headed for the special economic

zone of Shenzhen, where foreign businessmen can make use of the advantages promised by the cheapness of the manpower and raw materials of China.

This superzone was built on a literally empty spot in the Xijiang delta about an hour's ride from Hong Kong. The goal of the economic experiments being carried out here is practically the same as those in Taiwan or South Korea—the export of industrial goods. But Shenzhen has one very important advantage, namely, the “rear,” where it is possible to sell products in the event, for example, that unforeseen difficulties arise in export. The Chinese press, by the way, has repeatedly expressed concern that difficulties of this nature already exist. The very mechanism for attracting technology, experience and modern production-management methods has shortcomings. The majority of the industrial enterprises, with the exception of several Japanese television plants, are small or medium-sized joint firms for the production of beer and non-alcoholic drinks and cheap shoes, where Chinese workers perform technically simple operations in the assembly of parts and the packaging of finished products. Goods with the label “Made in Shenzhen” have begun appearing in stores in practically all cities of China. According to the estimates of Chinese economists, only about 20 percent of the goods produced in the zone find their way into the international market.

It is nonetheless a great happiness for a simple Chinese if he is able to get work here, notwithstanding the competitive fluctuations in the world market. What is this connected with? First and foremost the wages. In the majority of Chinese cities the workers are happy if they get 150-200 yuan a month. In Shenzhen 300-350 yuan is a common occurrence. Aside from that, there are many more opportunities here to show yourself in the field of private enterprise. The major portion of the 40,000 private enterprises of the province are located right here. And, judging from the Chinese press, many of them have capital on the scale of a million yuan, and about a hundred hired workers are working at them. Or, for example, private trucking. If one takes into account that there are just 15 million private vehicles in China, many of them must belong to the taxi drivers of Shenzhen and Guangzhou. One taxi driver, who brought me to the railroad station, assured me that he earned about a thousand yuan a month. And a week later I read in the paper that one plot of land was sold this summer at auction in Shenzhen (the leasing of land for 50 years is now permitted in China) for 17.2 million yuan, and a second for 19 million!

I returned by commuter train to Guangzhou that night. A young couple sat across from me. Finding out that I was a journalist from the Soviet Union, the young Chinese, interrupting each other, began telling me about the “splendor and poverty” of Shenzhen.

“The creation of zones such as ours,” the young man told me excitedly, “is always a great risk. If we don't see our reform through to the end, everything will go haywire: inflation, corruption and unemployment will go up.”

“And it is even more important,” his partner added, “that we not lose ourselves in this movement.”

#### Japanese Officials Interviewed on Relations, Trade With USSR

18070101 Moscow OGONEK in Russian No 51, 17-24  
Dec 89 pp 6-7

[Interview with General Secretary of the ruling Liberal Democratic Party of Japan, S. Abe; Japanese minister of foreign affairs, S. Uno; and former Japanese Prime Minister J. Nakasone]

[Text] Interview granted by General Secretary of the ruling Liberal Democratic Party of Japan, S. Abe, to OGONEK.

[OGONEK] Mr. Abe, a very great modernization of all of life is now taking place in the Soviet Union. It would seem that the modernization process has touched upon all spheres. But normal relations with Japan—this is something we have grown tired of waiting for. Knowing you as an experienced politician, particularly in international affairs, I should like very much to know how you regard relations with the Soviet Union: as something that is necessary to your party and country or as something secondary?

[Abe] When I took over the post of minister of foreign affairs of Japan I had occasion to meet with many Soviet representatives, including Mr. Sheverdnadze. Moreover, I myself have been to the Soviet Union several times and have a great interest in your country.

As concerns relations between Japan and the Soviet Union, one must understand that we are neighbors who cannot get away from one another, who cannot increase the distance between one another on the globe. Although our countries have different sociopolitical systems, I think that we need to improve relations.

Japanese-Soviet cooperation has a long history in the most diverse areas, but as for foreign political relations with the Soviet Union, these have been the coolest. The Japanese people do not consider such relations normal and I think that now we have a chance to improve them since at the present time the Soviet Union is in the process of the restructuring being conducted by Mr. Gorbachev, a process of improvement of Soviet-American relations has begun, and the international situation in the world as a whole, particularly in the Far East, is also improving.

[OGONEK] Our magazine's millions of readers are interested in how the eastern party of the Soviet Union will develop now, especially after M. S. Gorbachev's trips to the Far East and Siberia.

Soviet leaders have repeatedly made various kinds of declarations about the desirability of normalizing relations with Japan and about our arms in the Asiatic part

of the country, that is, about the most "painful" issues. Soon Japan will be visited by USSR foreign affairs minister E. A. Sheverdnadze; the negotiations will continue.

But with all this can you, Mr. Abe, see the long-range future of our relations? Are you adhering to a strategy which will lead to a situation where our countries will trade more and cooperate more? Is such a process possible in the foreseeable future?

[Abe] I read Mr. Gorbachev's statements in Vladivostok and his subsequent speeches with a great deal of interest. I think that they are a signal for improvement of the situation in the Asiatic region. It is very good that Mr. Sheverdnadze will visit Japan. Analyzing all this, I think that there is a good chance of improving Soviet-Japanese relations.

Positive changes have now taken place in Japanese-Chinese relations, but as for Japanese-Soviet relations, there is a stumbling block here—the territorial issue, with which you are familiar. I think that it is necessary to advance negotiations concerning it and conduct discussions of this problem. While discussing this issue at the negotiating table, we shall at the same time raise other issues as well: economic relations, exchange of technology, cultural exchange, trade ties, and so forth.

[OGONEK] In relations between the USSR and China and between Japan and China there are also territorial issues, but nonetheless relations are improving although the problems remain. Could we at least be a little friendlier in our discussions until we resolve or at least recognize these issues? For instance, between the USSR and China and between Japan and China negotiations are being conducted on various subjects in addition to negotiations on the territorial question.

[Abe] It is important to recognize the existence of the territorial issue. But if one takes the former position of the Soviet Union with respect to the territorial issue, the USSR has always denied that a problem exists. If the USSR recognizes the existence of this problem and agrees to discuss it, there will be progress in other areas of Soviet-Japanese relations.

When in 1973 our prime minister at the time, Mr. Tanaka, visited the USSR and met with Brezhnev, he asked him if the unsolved problems remaining in our relations since the war included the problem of the northern territories. And Mr. Brezhnev answered: "yes." All the mass media in Japan announced this and the Japanese people know about it. But after that the Soviet Union changed its position and began to declare that the territorial issue does not exist. I think that now it is important for the Soviet Union to return to its 1973 position. Now is a very good time for this. A return to the 1973 position will be a new point of reckoning and will serve the cause of improving our relations.

[OGONEK] That is excellent, and I shall certainly try to bring this opinion to our readers, to everyone who takes the magazine in hand. But now another question. Are you aware of the condition of Soviet and Japanese propaganda? How do you evaluate our propaganda and yours today?

I cannot say that for many years propaganda has instilled only friendliness or that it was objective in discussing our nations. Both now and when you were a leader of a diplomatic department you have been very interesting as an individual and as a politician. What gives you hope that it is possible to deal with the Soviet Union? How have you developed confidence in the Soviet Union and good feelings? In spite of everything, you believe it is possible to reach an agreement. Where do you get this confidence?

[Abe] Of course, Japan and the Soviet Union have different sociopolitical systems and, correspondingly, different ideologies. But when it comes to human relations the Japanese are sympathetic toward the Soviet Union. We have read the works of Dostoevsky and Tolstoy and know Russian and Soviet history and culture. But we have different ideologies, just as the Japanese and the Chinese do. The territorial issue probably exists both in Japanese-Soviet and Japanese-Chinese relations. But the fact is that China recognizes the territorial issue. If one looks at the history of Japanese-Soviet relations, in them there has been a problem since the end of World War II. But in spite of this I think that the Japanese have a desire to cooperate with the Soviet Union and have sympathy for this country. For example, we value highly the success of the Soviet sportsmen at the Seoul Olympics. We also welcome Mr. Gorbachev's policy, his proposals for disarmament in the Asiatic part of the country, and the tendency toward improvement of relations between China and the Soviet Union and between the USSR and the United States.

Judging from these indications, it is here that one can expect improvement in Japanese-Soviet relations. Here is where I see the chance I mentioned. But there is one problem that does not fall into the area of propaganda. This, as I have already said, is the territorial issue. I am convinced that we need to raise this issue at the negotiating table. I understand that it will not be easy to solve this problem, but if we raise the problem and begin to discuss it, progress will be achieved in other areas of our relations.

[OGONEK] I am extremely grateful to you, Mr. Abe. And I firmly believe that only from realistic positions is it possible today to improve the serious relations between our countries. I think that our readers will be interesting in knowing which politician today is at the head of the ruling party of Japan.

**Interview granted by Japanese foreign affairs minister  
S. Uno to OGONEK**

[OGONEK] It was not very long ago that you were assigned to the post of foreign affairs minister, but in spite of that your name and your activity are widely

known in the USSR. Does the Soviet Union occupy an important place in Japanese foreign policy and how do you personally, Mr. Minister, perceive our country?

[Uno] First of all I wish to say that the Soviet Union, of course, is an important neighbor of ours. I always mention this in public statements to the simple people. As concerns the parliament, to representatives of both the ruling party and the opposition parties I say that we must devote more attention to our neighbor country. Until recently the history of mankind has been exclusively the history of various conflicts between neighboring states, and they have zealously studied and been well aware of one another's shortcomings. Such has been the case in the East as well. But soon we shall enter the 21st century, and along with this old history we shall have to create new history. Based on this, I hope that contacts with our neighboring China, countries of the neighboring Korean peninsula, the KNDR and South Korea, and also the Soviet Union, although the states have different political systems, will lead to the creation of excellent relations in this region.

[OGONEK] Foreign policy is a complicated thing and consists of many factors. Do you think, Mr. Minister, that the personality factor has anything to do with it? Politics are politics, but they are not abstract and everyone, as it were, introduces his own "human factor." I know that you, Mr. Minister, as an individual have influenced the ministry that has been entrusted to you. What do you think—in such a dry, calculated business as international affairs does the personality have any real significance?

[Uno] I think that the influence of the individual is determined by the role this individual plays in his own country, his feeling of responsibility, and his ability to achieve an effective result. For example, Japanese-American relations in the postwar period have been good, and a confirmation of this were the good relations between Iosida and MacArthur. These relations contributed to successful determination of the occupation policy. One can also say that good contacts between MacArthur and the emperor contributed to smooth implementation of the occupation policy. Recently Mr. Nakasone has had good relations with Reagan. As a result of this, many Japanese-American contradictions have practically disappeared. I think that personal contacts between heads of state mainly deepen confidence between them, and this, in turn, deepens confidence between countries and expands friendly relations. M. S. Gorbachev has officially met twice with Nakasone, and I heard from Nakasone that even these two meetings led to a deepening of friendly relations between them. If Nakasone's successor, Prime Minister Takesita, had the experience of meetings with M. S. Gorbachev and could see him frequently, these relations could, in my view, become the basis for a deepening of friendship between our countries and improvement of our relations.

[OGONEK] I think that your meeting with E. A. Sheverdnadze, if it is successful, will be a good prologue to a meeting of the heads of our countries. But still, do you think there is hope that we shall come closer to one another, that we shall understand one another better, that we shall cooperate better in such a difficult world?

[Uno] First of all, I should like to say that Japan welcomes the fact that Soviet-American relations have entered the stage of dialog. For our part, we should like to contribute to a situation where through the efforts of both the East and the West a world was created in which there would be no strained relations between East and West. Japan and the Soviet Union are neighboring countries, but they belong to different camps—the East and the West. And in spite of this I think that we should deepen our dialog.

As for my impressions of the Soviet Union, I have the impression that in the past it was a country which always rejected all of our proposals for the development of dialog. But recently I have been studying the restructuring that has been taking place in your country, glasnost, and other issues, and it seems to me that the sky is gradually becoming lighter and the Soviet people are exchanging their winter coats for light between-season and summer clothing. Therefore I think that there is a good chance for the development of dialog, and it would be good, if we are wrong in some way, if you would tell us about it. I think that the development of this kind of dialog is obviously the most important thing today in Japanese-Soviet relations. I place great hopes in this.

[OGONEK] It is extremely important to hear such words from a person who holds such an important, key position in one of the major countries of the world. I shall definitely pass your words on to my compatriots. On behalf of the millions of OGONEK readers, I hope that the minister will always combine political thinking with real politics in this way, and then I have no doubt that the respect for you will continue to grow.

#### **Interview granted by former Japanese prime minister J. Nakasone to OGONEK**

[Nakasone] Recently I had the opportunity to visit your country along with several deputies of the Japanese parliament and we were greeted very warmly there. I was also given the opportunity to meet with General Secretary of the CPSU Central Committee M. S. Gorbachev and I had a fruitful and pleasant conversation with him.

After returning to Japan I wrote a thank you letter to Mr. Gorbachev, but still I wish to ask you, if it is possible, to thank Mr. General Secretary for the attention he gave us.

We know that in your country recently there was a Plenum of the CPSU Central Committee and a session of the USSR Supreme Soviet which resulted in considerable personnel changes. Mr. Gorbachev was elected

Chairman of the Presidium of the USSR Supreme Soviet. In my opinion this is evidence that the restructuring is moving forward in the Soviet Union and this gratifies me.

The atmosphere for Soviet-Japanese relations is improving at the present time; this makes it possible to deepen and diversify our relations.

[OGONEK] I should like to ask a question which seems very important to me. Mr. Reagan in an interview with OGONEK and in his statements, including when he was in the USSR, has repeatedly stated that his attitude toward the Soviet Union was different when he was first President from what it is now and many of his ideas about the Soviet country have changed. Can you say the same for yourself, have your ideas changed, or have you always had the same attitude toward the USSR?

[Nakasone] I have visited the Soviet Union four times. And this time I had the impression that even Moscow herself had become brighter, that the faces of the people had become more joyful. Now as never before I encountered many manifestations of true friendliness. For example, when I was in Izmaylovskiy Park, an artist working there gave me a picture with his autograph. I hung it in my office and I shall never forget how the simple citizen of Moscow gave me a picture as a token of our friendship. There is now much more friendliness, including in personal relations.

Recently I met with Mrs. Thatcher, and a meeting with Mr. Kohl, and in May I spoke with Mr. Reagan in the White House. All of them said that they welcome the restructuring in the USSR. As concerns the evaluation of Mr. Gorbachev's activity, they unanimously expressed respect for his courage and broad world view. And I was given the impression that this was the sincerest respect for Mr. Gorbachev and his work. The leading politicians of the West also, it seems to me, had a high opinion of glasnost and the new thinking in the Soviet Union.

[OGONEK] The Soviet Union is now doing a great deal for the development of cooperation with various countries of the world. Only our relations with Japan are not developing as well as we would like them to. You, Mr. Nakasone, have done a great deal to increase Japan's authority in the world. Today, strange as it may seem, we and Japan have proved that we can live without one another, although in fact this is unnatural. We cannot live normally without one another. Do you think, Mr. Nakasone, that our countries and peoples have a chance of coming together?

[Nakasone] I think that there is a chance of that. Whether or not it is realized will depend, it seems to me, on the desire and wishes of the political figures.

For example, recently a warm breeze has blown over the Korean peninsula—the Olympics in Seoul turned out well. It became possible to conduct a dialog between North and South. There are problems in the relations between any countries, and our relations with the USSR have their stumbling blocks. In order to eliminate them we must have a constructive approach and it takes efforts on both sides to arrange more favorable relations. The question is how to satisfy the desire of one side or the other. This is the major task. Each of the sides should think about this.

[OGONEK] Of course I am very delighted by the fact that Mr. Nakasone values so highly the picture by the Russian artist and that there is good news. The fact is that billions have been spent on developing the image of the enemy. Many Japanese think that the Russians are their enemies. I think that in our country friendliness for Japan should be increased. Does Mr. Nakasone think that today our propaganda should be different from what it was before? Or at least from the Japanese side is everything in order? Mr. Nakasone, are you satisfied with what is being said in Japan about the Soviet Union?

[Nakasone] I do not think that the people who are at the head of the state and in the ruling party have seen or know the modern Soviet Union. Therefore they should go and see it with their own eyes. This, in my opinion, is the main thing. And from the Soviet side, the leadership, including Mr. Gorbachev, should visit our country and see what Japan is. This is necessary in order for party leaders and members of the government to have a correct impression of the country. For example, I was in your country and it helped me to better understand the Soviet Union, and I received a great impression of your country.

If Mr. Gorbachev comes to Japan, I think the same thing will happen with him, since the same kinds of people live in Japan as in the Soviet Union.

[OGONEK] Probably the main thing in the politics of such powerful countries as Japan is consistency, and it is very pleasant for me to feel that Mr. Nakasone is continuing the best and most fruitful traditions of Japanese politics. And I very much believe that when relations between our two countries improve, all of us will always speak of how much you have done personally. I am very glad to hear everything you have to say and in OGONEK we shall mention the warmth Mr. Nakasone feels for the Soviet people.

[Nakasone] While I was in your country I had the opportunity to appear on television and was able to greet the Soviet people. I said that the Japanese people have warm feelings for the Soviet people, and we hope through improvement of political relations to develop these feelings. What I said on television I completely confirm now.

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**Bhutto Interviewed on Plans, Problems Facing Pakistan**

18070010 Moscow SOVETSKAYA ROSSIYA  
in Russian 19 Jan 89 p 3

Article by N. Semenenko (Islamabad): "Power Field of the Triumvirate"]

[Text] If someone were suddenly to decide to conduct an investigation to discover the most popular word of last year, there is no doubt that in Pakistan it would have been "democracy"—this is the beginning of an article prepared for SOVETSKAYA ROSSIYA by the TASS correspondent in Islamabad. It has not left the newspaper columns for 2 months now and it continues to be repeated by the majority of the 104 million Pakistanis.

Two months after the elections the stir in the newspapers concerning results and the artificially induced euphoria have died down somewhat. In Pakistan today they are speaking more about ways of overcoming the difficult legacy of the past and the problems facing the government of the Pakistan People's Party (PPP) and its young leader, the 35-year-old Benazir Bhutto.

And what does the prime minister herself think of this? Responding to questions from Soviet journalists, as the immediate tasks of her government B. Bhutto named eliminating poverty and illiteracy in the country, raising the standard of living of the people, and developing national industry.

"We hope that the new government will at least do something to improve the lives of the poor and starving, to put a roof over the heads of the homeless, to give jobs to the unemployed, and make it possible for the illiterate to learn to read and write. Perhaps when it comes into power the long-awaited peace and tranquility will come to the Pakistani land"—this statement from a fruit vendor in the streets of Rawalpindi reflect the opinions and hopes of the broad masses in Pakistan. As we can see, his words about the problems that are essentially bothering the country's population do not diverge much from the intentions of the head of state.

Judging from pre-election promises and the first steps of B. Bhutto's government, they intend to wage a real war against the "narcomafia" and the corruption that have put down deep roots in Pakistani society. The prime minister considers providing for the nation's unity and strengthening law and order in the country to be a no less important problem. These problems have always been critical in Pakistan. But they have become especially critical in recent years. In the province of Sind bloody conflicts have broken out periodically between representatives of hostile ethnic communities, mainly Muhajirs—settlers from India and Bangladesh—and Pashuns—who came here from the province on the border between Pakistan and Afghanistan. Frequently tension arises in relations between representatives of the two main factions in Islam—the Sunnite majority and the

Shiite minority. The spreading of organized crime is becoming a true national disaster in Pakistan. The circumstance that with the arrival on Pakistani land of the Afghan armed opposition the country became a weapons arsenal has contributed to this to no small degree. In underground markets of Karachi and other large cities here one can acquire practically any kind of weapon at the going price, beginning with a pistol right up to a "ground-to-air" missile.

In the area of economics one cannot but be bothered by the problem of foreign indebtedness which by now, according to official figures, has reached 12.6 billion American dollars. The excessively high military expenditures that take up more than one-third of the budget are a heavy burden on Pakistan's economy. But, as before, their reduction is opposed by the military who traditionally play an important role in the country's political life, and B. Bhutto cannot but take them into account.

But still, in spite of the country's difficult financial position, the PPP government is demonstrating its intention to keep its pre-election promises. Recently it allotted 2 billion Pakistani rupees for the so-called "national budget." This money will be used primarily for developing the system of education and public health and providing housing for those who need it. In the near future it is intended to increase the wages for state employees and physicians who are out of work because of the shortage of medical institutions, and loans will be granted to open private clinics. A new policy is being developed in the sphere of employment. In particular, it is planned to construct a number of new enterprises which are supposed to make the problem less critical to a certain degree.

The new government is also taking measures to democratize social life. Many political prisoners have already been released from prison and political emigrants have begun to return to the country. A decision has been made to remove the restrictions on student unions and other social organizations. The issue of restoring the rights of employees of many institutions who were discharged by the military authorities because of political motives is being resolved. Laws limiting the freedom of the press have been abolished. State censorship has been eliminated.

But not everything is so simple for the young prime minister. Forces that are attached to the old ways, judging for everything, do not intend to let go. The fact is that the relative majority the PPP has in the lower chamber of parliament is not sufficient to make fundamentally important changes in legislation or the political system that exists in the country. The upper chamber of parliament, the senate, is fully controlled by the Islam Democratic Alliance (IDA) which is the main political opponent of B. Bhutto's party. It includes conservative forces and many political activists who are in favor of continuing the course of Zia-ul-Haq in both domestic



and foreign policy. The IDA has the largest province in the country, Pendjab, whose role in the political life of Pakistan is very great. Therefore many of the good intentions of the Bhutto government have encountered strong resistance.

By now a situation has developed in Pakistan in which all of the most important decisions are made by a kind of triumvirate: the army chief of staff, the president, and the prime minister. As we can see, Bhutto's possibilities of conducting her own domestic and foreign political course are extremely limited.

But even under these conditions, since the PPP has come into power certain changes are taking place in the domestic life of Pakistan as well as in the country's foreign political course. This pertains first and foremost to relations with India.

At the same time there are practically no essential changes in Pakistan's position concerning the agrarian issue. As before, Islamabad continues to violate the Geneva agreements.

It should also be noted that in the current stage the development of relations with the USSR in Pakistan is, as before, regarded through the prism of the solution to the Afghan problem. B. Bhutto announces that after it is resolved it will be possible to improve relations between Pakistan and the USSR, mainly in the trade and economic area.

**Pakistan's Afghan Policy Continues Under Bhutto**  
*18070089 Moscow IZVESTIYA in Russian 24 Dec 88*  
p 5

[Article by V. Skosyrev under rubric "View of an Event":  
"Victor with Bound Hands?"]

[Text] She had been preparing for this role for at least 11 years, since conspirators headed by Gen Zia-ul-Haq toppled her father from the post of prime minister. Benazir Bhutto's hour finally came. She became virtually the first democratically elected prime minister in Pakistan's history. The prima donna took her place at center stage.

But is she free to carry out her own line? That is the question. Events of recent weeks indicate that the circles which dictated the country's political course under President Zia-ul-Haq retained the levers of power.

Mrs. Bhutto's problem is partially connected with results of the election, which brought her Pakistan People's Party [PPP] the largest number of seats in the lower house of Parliament, but far from an absolute majority. Therefore it is necessary to recruit allies among other groupings and compromise with sworn enemies from the Islamic Democratic Alliance, an association which was joined by many of the late president's followers. There is an even more confused picture in the provinces.

Having no guaranteed support among lawmakers in the center and in the provinces, the head of the new administration turned for support to the army and to other influential forces outside Parliament. The information agencies report that she spent many hours with Gen A. Beg, army chief of staff, and with Gen H. Gul, the head of ISI. ISI is the integrated intelligence agency of the three combat arms through which the military regime kept its eye on civilian politicians and fostered the Afghan armed opposition.

Here is another characteristic point. Even before the president charged B. Bhutto with heading up the cabinet she was visited by the U.S. ambassador. The well-informed London weekly *ECONOMIST* writes that he gave a favorable nod to the PPP leader, i.e., he gave an okay for leadership of the country.

This okay cost a great deal. The fact is that at one time the military regime reached an agreement with the United States by which Afghan rebels receive a base of operations on Pakistani territory and the United States compensates Islamabad for "inconveniences" connected with their activity by generous deliveries of military equipment and by subsidies. Now the conditions of this deal, which moved Pakistan into third place in the world among receivers of American assistance (after Israel and Egypt), have been confirmed.

But a political price had to be paid for the favorable attitude of the generals and of the principal foreign creditor. It is reported that the government was supposed to adopt specific rules of operation. First of all, military expenditures, which according to some data devour up to 60 percent of the budget, will not be reduced. This is at a time when, by the prime minister's admission, the new authorities have received a bankrupt economy from the previous regime.

Secondly, despite the [several lines missing] the army has been left with a special role not only in the sphere of defense, but also in the sphere of ensuring internal security. It will perform the latter function through the National Security Council made up of the country's president, chiefs of staff of combat arms, and principal ministers of the provinces in addition to the prime minister. Establishment of the Council signifies that the hands of the elected head of government will be tied in critical situations and in case a state of emergency is declared.

And finally, the ISI is granted (as before) the right to distribute American arms among Afghan rebel groupings and consequently largely to conduct Islamabad policy itself with respect to Afghanistan.

It does not follow from the above that the parliamentary elections changed nothing. Far from it. B. Bhutto already proved that her promise to dismantle the dictatorship's legacy and introduce democratic norms in political and public life are not simply high-flown words. Political

prisoners are being freed from prisons and bans on trade union activity are being lifted. The government intends to eliminate laws which infringe on freedom of the press.

Foreign policy statements of Pakistani leaders also are generating interest. The prime minister expressed a desire to meet with Rajiv Gandhi in December. The purpose is to attempt to remove the tension between India and Pakistan and normalize relations in the spirit of the Simla Agreement concluded in 1972 by the present prime minister's father Z. A. Bhutto and Indira Gandhi.

It is also impossible to ignore the fact that at a press conference the prime minister announced an aspiration to develop contacts with the Soviet Union. Such an aspiration can only be welcomed in Moscow. It is also fully logical that B. Bhutto linked prospects for expanding Soviet-Pakistani relations with the removal of Soviet troops from Afghanistan.

But the natural question is: Does Islamabad plan to make a contribution toward an Afghan peace settlement? For now it seems that only one shift has taken place in the Pakistani position: while extremists from the Hekmatyar group enjoyed the advantage in military deliveries under Zia-ul-Haq, the intelligence agency now supplies other detachments of Afghan antigovernment formations more generously.

Everything else remains the same. Weapons flow like a river across the border. The Geneva Agreements are being violated. At a time when Kabul is proposing that all sides involved in the conflict sit down at the negotiating table, people in Islamabad are saying openly that they will not cease military support of the rebels.

The fact is, however, that this is a path leading not to internal Afghan reconciliation, but to a continuation of the bloodshed, which even so already has generated a wave of violence and armed clashes in Pakistan itself. Will the civilian prime minister be able to tear this vicious circle asunder? This is the touchstone on which her ability to carry out her own line on the political scene will be tested.

#### **Belyakov Aden Dispatch on Current Situation in PDRY**

*18070022 Moscow PRAVDA in Russian 14 Oct 88 p 7*

[Article by V. Belyakov: "The Formation of the Republic" (Our Correspondent Reports From Aden)]

[Text] Radfan is one of the districts in Lakhdhz Province in Democratic Yemen. It is located in the northern part of the republic about 100 kilometers from the capital Aden, where the coastal plain intersects a rocky mountain ridge. The severity of nature here differs little from most of the other regions in the People's Democratic Republic of Yemen. Nonetheless, Radfan is famous—a quarter of a century ago a group of patriots here raised the banner of national democratic revolution.

When you drive up to the center of Radfan District and arrive at the village of Khabileyn, you can see on a hill, high on a pedestal, the bronze figure of a peasant with a rifle in his hands. This is the monument to revolutionary hero Radzhikh Ben Galib Lyabuze, who perished in the first battle with British colonizers on 14 October 1963. At the base of the monument stands a museum containing documents of that time, examples of the weaponry used by the partisans in their struggle, and portraits of their leaders.

The armed revolt spread from Radfan to other regions and, after four years of heroic struggle, the British colonizers were chased out. 30 November 1967 is the birthday of the independent South Yemen state. But the movement of revolution did not stop here.

"We took up weapons in Radfan not only to put an end to colonial occupation, but in the name of social justice as well," stated Ali Salem al-Beyd, central committee general secretary of the Yemen Socialist Party (YSP) and an active participant in the war of national liberation, as he received a group of Soviet journalists.

During the colonial period, national oppression went hand in hand with social repression in South Yemen. A feudal hierarchy—sultans and shaykhs—provided the main base of support for the colonizers. There was practically no bourgeois social layer. Thus, the working class and the democratically-minded portion of the intelligentsia immediately took up the struggle against exploiters—both their own and outsiders.

Significant social and economic transformations have taken place in Democratic Yemen over the years of independence. These consist of agrarian reform, elimination of foreign ownership, the creation of state and cooperative sectors of industry and agriculture (in 1985 these accounted for over 50 percent of the gross national product), the introduction of free education and medical care, a social welfare system, and a great effort towards eliminating illiteracy and the inequality of women in society.

Rashid Radzhikh Naser, secretary of the YSP district committee for ideology, told us what the revolution gave to the 100,000 inhabitants of Radfan. Under the colonizers, the district had just four schools—now there are 81, which accommodate 90 percent of the school-age children. Formerly there was almost total illiteracy—now just 20 percent of the adult population cannot read or write. I would note that in Egypt, the most developed country in the Arab world, the level of illiteracy is still about 50 percent, higher in rural areas. The district has three hospitals and 15 dispensaries. Many villages have electricity and plumbing.

Most of the peasants have joined cooperatives of the supply-market variety. They also take advantage of services offered by the state office for rental of agricultural

equipment. Almost all of the district's arable land has been improved and converted to artificial irrigation. A good asphalt highway connects the district with the capital.

Perhaps Radfan, the cradle of the South Yemen revolution, is accorded special status in the republic? I don't think so. Rashid Naser shared with us this pleasing information: the government recently decided to offer the district an additional five million dinars (one dinar is approximately equal to three dollars) for socio-economic development, insofar as appropriations for the district in the current five-year plan lagged behind those for the republic as a whole. Thus, what we see today in Radfan represents the norm for Democratic Yemen, and not the exception. This confirms the conclusion I arrived at during previous trips around the republic during which I visited four out of six provinces.

But the Yemeni revolutionaries inherited an unenviable situation from their colonizers. The level of development of labor productivity was extremely low and a feudal system reigned, resulting in poverty and ignorance of the masses. To this we must add a scarcity of natural resources.

This did not come about without mistakes, the most glaring of which can be seen in the private sector. There was a time when attempts were made to eradicate this at its roots. Another distortion sprang up in the beginning of the 1960's—excessive encouragement of private business. The situation is currently being rectified. A search is underway for that balance which would correlate to conditions in Democratic Yemen and meet the demands of its socio-economic development.

Qualitative changes in South Yemen society are the result of reinforcing the national-democratic revolution and giving it a socialist perspective. This process has been steered by the Yemen Socialist Party, established 10 years ago, which proclaimed Marxism-Leninism as its ideological base. Only one-quarter of its members are workers and peasants; the rest are military servicemen and the intelligentsia. There is also a petty bourgeoisie.

As noted at the YSP conference conducted in summer of last year, the small number of party representatives from the working class reflects objective conditions in the republic as well as subjective errors. The working class of South Yemen is not developed. At the same time, efforts

to select and attract progressive representatives into the party ranks are taking place, according to the opinion of conference delegates, on a low level.

The party has a small membership. There are only about a thousand YSP members in the Radfan district for their 100,000 inhabitants. This ratio is typical of almost all the districts of the republic—with the exception, perhaps, of its capital.

There are a great many glorious episodes in YSP history, but there have also been slumps—and even tragic times. This is especially the case with respect to the events of January 1986, characterized by fierce armed conflicts. These have left a painful mark on both the party and the republic. There remain a number of negative consequences still to be overcome, the most important task being to strengthen the shattered confidence of the masses in the party and its course.

"The ordinary individual determines how he relates to the regime primarily by virtue of his lifestyle," states Ali Salem al-Beyd. "Stability, democracy and improvements in living standards—this is what the working class is striving for. The economy continues to be our weakest area, and it is today the focus of our major effort."

According to data provided by Prime Minister Yasin Said Naoman, the republic is still meeting about three-fourths of its economic needs through imports. It is a complicated situation and exceedingly difficult to change. One focus is improving efficiency in the utilization of economic potential already on hand. Another is expanding the material production base. This is constrained by inadequate resources. Thus, announcements regarding the opening of oil fields and gold mines by Soviet geologists were received with great joy. Industrial development is planned to begin in 1990. It is expected that the revenue received from the export of these minerals will constitute the financial base for industrialization.

The Soviet Union and People's Democratic Republic of Yemen are effecting multi-faceted ties based on a 1979 Treaty of Friendship and Cooperation. Cooperation in the economic sphere is proceeding favorably in the priority branches of the economy: energy, fishing, processing and refining, geology and agriculture. Our ties and assistance are valued here. After all, the initial stage, the stage of formation, is the most difficult. A quarter of a century following the beginning of the revolution, even on the scale of human life, is still a young age.